

# STRENGTHENING ACCREDITATION TO BETTER PROTECT STUDENTS AND TAXPAYERS

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## HEARING

BEFORE THE

COMMITTEE ON EDUCATION  
AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, DC, APRIL 27, 2017

**Serial No. 115-14**

Printed for the use of the Committee on Education and the Workforce



Available via the World Wide Web: [www.gpo.gov/fdsys/browse/  
committee.action?chamber=house&committee=education](http://www.gpo.gov/fdsys/browse/committee.action?chamber=house&committee=education)

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U.S. GOVERNMENT PUBLISHING OFFICE

25-136 PDF

WASHINGTON : 2017

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## **STRENGTHENING ACCREDITATION TO BETTER PROTECT STUDENTS AND TAXPAYERS**

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**Thursday, April 27, 2017  
House of Representatives  
Committee on Education and the Workforce  
Washington, D.C.**

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The Committee met, pursuant to call, at 10:00 a.m., in Room 2175, Rayburn House Office Building. Hon. Virginia Foxx [chairwoman of the committee] presiding.

Present: Representatives Foxx, Roe, Thompson, Walberg, Guthrie, Messer, Byrne, Grothman, Stefanik, Allen, Lewis, Mitchell, Garrett, Smucker, Ferguson, Scott, Davis, Courtney, Polis, Bonamici, Takano, Adams, Norcross, Blunt, Rochester, Krishnamoorthi, and Espaillat.

Staff Present: Bethany Aronhalt, Press Secretary; Courtney Butcher, Director of Member Services and Coalitions; Emmanuel Guillory, Professional Staff Member; Amy Raaf Jones, Director of Education and Human Resources Policy; Nancy Locke, Chief Clerk; Dominique McKay, Deputy Press Secretary; James Mullen, Director of Information Technology; Krisann Pearce, General Counsel; Jenny Prescott, Professional Staff Member; Alex Ricci, Legislative Assistant; Mandy Schaumburg, Education Deputy Director and Senior Counsel; Emily Slack, Professional Staff Member; Tylease Alli, Minority Clerk/Intern and Fellow Coordinator; Austin Barbera, Minority Press Assistant; Jacque Chevalier, Minority Director of Education Policy; Denise Forte, Minority Staff Director; Mishawn Freeman, Minority Staff Assistant; Christian Haines, Minority Senior Education Policy Counsel; Carolyn Hughes, Minority Deputy Director Health Policy/Senior Labor Policy Advisor; Veronique Pluviose, Minority General Counsel; Katherine Valle, Minority Education Policy Advisor; and Christopher Zbrozek, Minority Education Detailee.

Chairwoman FOXX. A quorum being present, the Committee on Education and the Workforce will come to order.

Good morning, and welcome to today's hearing.

Earlier this year, the committee met to examine some of the challenges facing America's higher education system. Costs are rising at private and public institutions. Far too many individuals are failing to complete their education in a timely manner. Misguided

rules are stifling innovation on campuses and creating new burdens on institutions across the country.

At the same hearing, we discussed opportunities to help address these challenges, opportunities like empowering students to make informed decisions, simplifying student aid, and promoting innovation, access, and completion.

Today, we continue our work to strengthen higher education by taking a closer look at another one of the key principles guiding our efforts, providing strong accountability for students and taxpayers.

In higher education, one way we ensure accountability is the accreditation process. Accrediting agencies are voluntary private organizations made up of members from accredited colleges and universities. These agencies work with their member institutions to develop standards and criteria to determine what constitutes a high quality higher education institution. Then through a non-governmental system of peer review, the agencies decide if an institution meets those standards.

By giving their stamp of approval, accreditation agencies provide students and parents with an assurance that an institution meets certain standards when it comes to delivering a high quality education.

Families rely on accreditors to hold schools accountable for the education they provide, and to ensure these schools are producing results for their students.

Congress also relies on accreditors. Accreditation helps determine which schools are permitted to participate in Federal student aid programs. These important programs allow students at eligible schools to receive Federal funds, and we need to know these hard-earned taxpayer dollars are going only to institutions that are serving students well.

The accreditation process is critical to providing accountability in the higher education system. However, like many aspects of higher education, accreditation is in need of improvement.

It has never been and should never be the Federal Government's role to judge the quality of a school's education programs. Entrusting independent accrediting agencies with that responsibility protects academic freedom and student choice.

However, in recent years, accreditors have been forced to focus on compliance rather than promoting academic integrity, undermining the process and its purpose. It is time for a better approach.

We need to focus Federal accreditation requirements on academic quality and student learning. We need to ensure Federal rules are clear and easy to follow. We need to improve or do away with regulations that discourage or prevent innovation in higher education, and we need to make sure that the Administration, whether Democrat or Republican, does not have the power to recklessly second-guess the tough decisions accreditation agencies make.

These are all things Congress can do to improve the accreditation process, but if we are going to see real change, accreditors have a job to do as well.

It is not enough to refocus Federal rules. Accreditors must also embrace the commitment to high quality and improved outcomes. Students need an honest and accurate assessment when it comes

to the quality of education a school provides. An accreditation agency's stamp of approval means something to those students, or at least it should mean something.

Accreditors also need to be open to innovation and the opportunities it can create in higher education. If we are going to roll back rigid Federal requirements, it is up to accrediting agencies to take the flexibility we are working to provide and do something meaningful with it.

By working together, Congress and accreditors, we can improve the accreditation system, ensuring a balance between flexibility for institutions and accountability for students and taxpayers.

We are here today to gain a better understanding of the challenges facing the accreditation system, as well as how we can tackle those challenges.

I look forward to hearing from our witnesses and advancing solutions that will provide greater accountability in higher education, and ensure the accreditation process serves the best interests of students, families, and taxpayers.

With that, I yield to Ranking Member Scott for his opening remarks.

[The information follows:]

**Prepared Statement of Hon. Virginia Foxx, Chairwoman, Committee on Education and the Workforce**

Earlier this year, the committee met to examine some of the challenges facing America's higher education system. Costs are rising at private and public institutions. Far too many individuals are failing to complete their education in a timely manner. Misguided rules are stifling innovation on campuses and creating new burdens on institutions across the country.

At that same hearing we discussed opportunities to help address these challenges—opportunities like empowering students to make informed decisions; simplifying student aid; and promoting innovation, access, and completion.

Today, we continue our work to strengthen higher education by taking a closer look at another one of the key principles guiding our efforts—providing strong accountability for students and taxpayers.

In higher education, one way we ensure accountability is the accreditation process. Accrediting agencies are voluntary private organizations made up of members from accredited colleges and universities. These agencies work with their member institutions to develop standards and criteria to determine what constitutes a high-quality higher education institution. Then, through a non-governmental system of peer review, the agencies decide if an institution meets those standards.

By giving their stamp of approval, accreditation agencies provide students and parents with an assurance that an institution meets certain standards when it comes to delivering a high-quality education. Families rely on accreditors to hold schools accountable for the education they provide and to ensure those schools are producing results for their students.

Congress also relies on accreditors. Accreditation helps determine which schools are permitted to participate in federal student aid programs. These important programs allow students at eligible schools to receive federal funds, and we need to know those hard-earned taxpayer dollars are only going to institutions that are serving students well.

The accreditation process is critical to providing accountability in the higher education system. However, like many aspects of higher education, accreditation is in need of improvement.

It has never been and should never be the federal government's role to judge the quality of a school's education programs. Entrusting independent accrediting agencies with that responsibility protects academic freedom and student choice. However, in recent years, accreditors have been forced to focus on compliance rather than promoting academic integrity, undermining the process and its purpose. It's time for a better approach.

We need to refocus federal accreditation requirements on academic quality and student learning. We need to ensure federal rules are clear and easy to follow. We

need to improve—or do away with—regulations that discourage or prevent innovation in higher education. And we need to make sure the administration—whether Democrat or Republican—does not have the power to recklessly second-guess the tough decisions accreditation agencies make.

These are all things Congress can do to improve the accreditation process, but if we are going to see real change, accreditors have a job to do as well.

It's not enough to refocus federal rules. Accreditors must also embrace a commitment to high-quality and improved outcomes. Students need an honest and accurate assessment when it comes to the quality of education a school provides. An accreditation agency's stamp of approval means something to those students, or at least it should mean something.

Accreditors also need to be open to innovation and the opportunities it can create in higher education. If we are going to roll back rigid federal requirements, it's up to accrediting agencies to take the flexibility we are working to provide and do something meaningful with it.

By working together—Congress and accreditors—we can improve the accreditation system, ensuring a balance between flexibility for institutions and accountability for students and taxpayers.

We are here today to gain a better understanding of the challenges facing the accreditation system, as well as how we can tackle those challenges. I look forward to hearing from our witnesses and advancing solutions that will provide greater accountability in higher education and ensure the accreditation process serves the best interests of students, families, and taxpayers.

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Mr. SCOTT. Thank you, Madam Chair, and I would like to thank you for calling this hearing, and thank our distinguished witnesses for being with us today.

The issue of quality in higher education is not one that we address often in Congress. The higher education system in the United States is one of if not the best in the world, and we frequently spend our time debating how to increase access to the system or how to make college more affordable, and not just in quality.

While these are topics that I am sure we will continue debating, it is important to take a step back to determine if we are ensuring that our higher education system maintains its high level of quality across all sectors for all students.

While the Federal Government and State authorizers both have important roles to play in assuring quality, independent accrediting bodies should be the true arbiters of quality in our higher education system.

Their thoughtful peer review process is designed to ensure that institutions are living up to their educational mission, whether it is providing students with an education that will be the basis of lifetime learning, or preparing them to excel in a specific field or career.

The title of this hearing alludes to the fact that while students depend on accreditors, taxpayers do as well. Over \$150 billion in Federal student aid is disbursed every year, and it can only go to institutions of higher education that have been accredited by a federally recognized accreditor. As such, there are huge fiscal implications in the quality and rigor of the accreditation process.

While the accreditation system works well for many schools, it must be improved. We know that there have been schools that were fully accredited up until the day they closed their doors, leaving students out in the cold and taxpayers holding the bag.

We also know that there are schools that remain accredited while offering their students little chance to obtain a degree or get a credential that has little value in the marketplace.



There is emerging research that shows that in some cases, the outcomes at some fully accredited schools are so poor that students would have been better off not going to school at all rather than attending those schools.

The Federal Government has begun to respond to these problems in accreditation. The Federal Government has an interest in whether or not a school is accredited because of the billions of dollars in Federal aid, and if the accreditors aren't doing the job, the Federal Government has to do the job, and that is where programs like Gainful Employment and other measures have come up.

To the extent that the accreditors fail, we are going to have to come up with those kinds of answers. Over the last two years, the Department of Education has proposed actions to make the accreditation system more transparent, and to provide more information on standards that accreditors use to rate schools.

Last year, the National Advisory Committee on Institutional Quality and Integrity derecognized the Accrediting Council for Independent Colleges and Schools, putting other accreditors on notice that subpar standards and a documented history of turning a blind eye to bad actors would not be tolerated.

It seems like many accreditors got the message, and we have seen proposed reforms from accreditors based on recommendations from the previous Administration.

I know accreditors want to improve, and they want to ensure that their members still provide a top-notch education, but we are at a crossroads. There is no guarantee that the new Administration is going to take a critical view on the need to improve accreditation, and I worry that the improvements we have seen of late could falter without the oversight and pressure from the Federal Government.

Accreditation can be a peer-based program designed to foster self-improvement and be responsive to data on student outcomes. It can meet the needs of vastly different institutions but still use common terms and measures.

It can respect the internal decisions and choices of an institution and still be transparent.

We can have the best accreditation system in the world for the best higher education system in the world, and hopefully, our witnesses today will provide the perspective on how we can do just that.

Thank you, Madam Chair, and I yield back.

Chairwoman FOXX. Thank you, Mr. Scott. Pursuant to Committee Rule 7(c), all members will be permitted to submit written statements to be included in the permanent hearing record.

Without objection, the hearing record will remain open for 14 days to allow such statements and other extraneous material referenced during the hearing to be submitted for the official hearing record.

[The information follows:]

**Prepared Statement of Hon. Robert C. "Bobby" Scott, Ranking Member,  
Committee on Education and the Workforce**

Good morning. I would like to thank Chairwoman Foxx for calling this hearing and I'd like to thank our distinguished witnesses for being here today.

The issue of quality in higher education is one that we address often here in Congress. The higher education system in the United States is one of, if not the best in the world, and we frequently spend our time debating how to increase access to the system or how to make college more affordable. And while these are topics that I'm sure we will continue debating, it is important that we take a step back and determine if we are ensuring that our higher education system maintains its high level of quality across all sectors for all students.

While the federal government and state authorizers both have important roles to play in assuring quality, accrediting bodies are the true arbiters of quality in our higher education system. Their thoughtful peer review process is designed to ensure that institutions are living up

to their educational mission—whether it's providing students with an education that will be the basis for a lifetime of learning or preparing them to excel in a specific field or career. The title of this hearing alludes to the fact that while students depend on accreditors, taxpayers do as well. Over \$150 billion in federal student aid is disbursed every year, and it can only go to institutions of higher education that have been accredited by a federally recognized accreditor. As such, there are huge fiscal implications to the quality and rigor of accreditation reviews.

While the accreditation systems works well for many schools, it must be improved. We know that there were schools that were fully accredited up until the point that they closed their doors, leaving students out in the cold and taxpayers holding the bag. We also know there are schools that remain accredited while offering their students little chance to obtain a degree, or a credential that has little value in the marketplace. There is emerging research that shows in the worst cases, the outcomes at some fully accredited schools are so poor that students would have been better off going to no school rather than attending.

The federal government has begun to respond to these problems in accreditation. Over the last two years the Department of Education proposed actions to make the accreditation system more transparent, and provide more information on the standards that accreditors use to rate schools. Last year the National Advisory Committee on Institutional Quality and Integrity, (or NACIQI) derecognized the Accrediting Council for Independent Colleges and Schools (or ACICS), putting other accreditors on notice that subpar standards and a documented history of turning a blind eye to bad actors would not be tolerated.

It seems like many accreditors got the message, and we have seen proposed reforms from accreditors based on recommendations from the previous administration. I know accreditors want to improve and they want to ensure that their members are still providing a top-notch education. But we are at a crossroads. There is no guarantee that the new Administration is going to take as critical a view on the need to improve accreditation, and I worry that the improvements that we've seen of late could falter without the oversight of the federal government.

Accreditation can be a peer-based program designed to foster self-improvement and be responsive to data on student outcomes. It can meet the needs of vastly different institutions but still use common terms and actions. It can respect the internal decisions and choices of an institution and still be transparent. We can have the best accreditation system in the world for the best higher education system in the world, and hopefully our witnesses here today will provide perspective on how we can do just that. Thank you and I yield back the balance of my time.

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Chairwoman FOXX. We now turn to introduction of our distinguished witnesses. Dr. Mary Ellen Petrisko is President of the Senior College and University Commission at the Western Association of Schools and Colleges. Dr. Petrisko has extensive experience in institutional academic leadership and regional accreditation and State policy.

Dr. George Pruitt is President of the Thomas Edison State University. Dr. Pruitt has served in executive leadership positions at several postsecondary institutions, and is past chairman and a member of the Middle States Commission on Higher Education.

Mr. Ben Miller is Senior Director for Postsecondary Education at the Center for American Progress. Mr. Miller's work focuses on postsecondary education accountability, affordability, and financial aid, as well as for-profit colleges and other issues.

Dr. Michale McComis is Executive Director at the Accrediting Commission of Career Schools and Colleges. As the Executive Director, Dr. McComis manages the day-to-day operations of ACCSC's office and staff in overseeing the ACCSC accreditation process.

I now ask our witnesses to raise your right hand.

[Witnesses sworn.]

Chairwoman FOXX. Let the record reflect the witnesses answered in the affirmative.

Before I recognize each of you to provide your testimony, let me briefly explain our lighting system. We allow 5 minutes for each witness to provide testimony. When you begin, the light in front of you will turn green. When one minute is left, the light will turn yellow. At the 5 minute mark, the light will turn red, and you should wrap up your testimony.

Members will each have 5 minutes to ask questions.

I believe we are ready to begin. Dr. Petrisko, you are recognized for 5 minutes.

**TESTIMONY OF MARY ELLEN PETRISKO, PRESIDENT, WASHINGTON ASSOCIATION OF SCHOOLS AND COLLEGES, SENIOR COLLEGE AND UNIVERSITY COMMISSION**

Ms. PETRISKO. Chairman Foxx, Ranking Member Scott, and members of the committee, thank you for the opportunity to be with you today to testify.

As noted, I am the President of the WASC Senior College and University Commission, which is an accrediting body serving public and private higher education institutions throughout California, Hawaii, and the Pacific, and a limited number of institutions outside of the U.S.

The first accreditor of colleges and universities was founded in this country in 1885, when there were just 36 States in the Union. Just as our country has grown and developed over the past 130 years, so, too, had accreditation changed to become what it is today, an outcomes-focused system of quality assurance that relies on voluntary peer review.

The work of accreditation is grounded in standards aligned with those dictated by U.S. statute and regulations. Since 1952, related to the G.I. Bill, accreditors have been recognized as quality assurance agencies to protect the Federal Government's investment in higher education. Accreditation has traditionally existed as part of a quality assurance triad, in collaboration with State and Federal Government.

Colleges and universities in the United States have an international reputation for exceptional quality, as does our system of accreditation. Indeed, many institutions outside of the United States aspire to be accredited by U.S. accreditors, but the fact that our accreditation system is a strong and much admired system does not mean that it and our larger quality assurance system triad are perfect.

Today's hearing is focused on opportunities to improve accreditation. While I believe accreditors largely do a good job in protecting students, I also believe that steps could be taken in the reauthorization of the Higher Education Act to create a stronger accountability system and therefore better serve students.

First, I'd like to tell you about some of the things we at WSCUC are doing to support student success and protect the public's investment in higher education.

At WASC, we define "student success" as student learning and retention and completion. With regard to the latter, let me note that the Federal IPEDS data only measured completion for first time full-time students at an institution. In the WASC region, IPEDS covers only about 360,000 of our 900,000 undergraduate students, making more than 500,000 students invisible.

To address the insufficiency of these data, WASC has developed what we call the "Graduation Rate Dashboard," a tool that enables us to see how many students graduate from an institution, and importantly, no matter their enrollment status or time to degree.

Given that the majority of our students fall outside the IPEDS' measure, this is an important development. The Dashboard can provide institutions with more complete and inclusive information regarding student success, shine light on enrollment, retention, and graduation patterns, and allow both WASC and the institution to better identify and address issues that affect student success.

I've included additional information about this tool in my written testimony, as well as information about our work with the National Student Clearinghouse to expand our ability to assess institutional effectiveness.

As student completion is important to all accreditors, the Council of Regional Accreditors, or C-RAC, recently launched a nationwide effort to place increased emphasis on graduation rates as part of our ongoing review of colleges and universities.

Each accrediting body will use at a minimum a 15 percent IPEDS' graduation rate for two year institutions, and a 25 percent rate for four year institutions—those numbers are about half the national average—as triggers to more closely examine institution's student success and plans for improvement.

Let me conclude by making three recommendations for the strengthening of our system of accountability related to innovation, transparency, and appropriate levels of regulation.

First and foremost, I believe it is critical that the HEA reauthorization support the innovation necessary to serve current and especially future students, and that it will allow accreditors the flexibility to review and approve innovations in a safe zone as is allowed by current experimental sites.

As our regional undergraduate population shows, the majority of students today do not go to one institution full-time or finish within four years. I hope that the reauthorization will keep these changing student demographics in mind.

Secondly, whatever steps are taken to provide greater transparency should ensure that students can access accurate and relevant information on our institutions. Currently available data from the College Navigator and College Scorecard are sometimes inaccurate, sometimes in conflict with one another, and limited due to their reliance on IPEDS. Better information can help students make better choices and promote enhanced accountability.

Understanding this, we at WASC have published all of our team reports and Commission action letters since July of 2012.

Finally, I hope that excessive regulations, such as those related to substantive change and credit hour, will be addressed and moderated. Such regulations inhibit innovation, add costs and burden to institutions, and do not add value.

Chairman Foxx, Ranking Member Scott, thank you very much for the opportunity to testify. I look forward to answering your questions.

[The statement of Ms. Petrisko follows:]

House Education and Workforce Committee Hearing  
 “Strengthening Accreditation to Better Protect Students and Taxpayers”  
 April 27, 2017

Testimony of Dr. Mary Ellen Petrisko  
 WASC Senior College and University Commission

Chairwoman Foxx, Ranking Member Scott, and members of the committee: Thank you for the opportunity to testify today. My name is Mary Ellen Petrisko, and I am president of the WASC Senior College and University Commission, an accrediting body serving public and private higher education institutions throughout California, Hawaii, and the Pacific, as well as a limited number of institutions outside the U.S.

The first accreditor of colleges and universities was founded in this country in 1885—when there were just 36 states in the union. Just as our country has grown and developed over the past 130 years, so too has accreditation changed to become what it is today: an outcomes-focused system of quality assurance that relies on voluntary peer review.

The work of accreditation is grounded in standards aligned with those dictated by U.S. Statute and Regulations. Since 1952, related to the GI Bill, accreditors have been recognized as quality assurance agencies that protect the federal government’s investment in higher education. Accreditation has traditionally existed as part of a quality assurance triad, in collaboration with state and federal government. The traditional role of the state has been that of consumer protection; that of the federal government has been that of responsibility for the considerable federal expenditure on student aid. In recent years, both the state and federal government’s responsibilities as part of this triad have increasingly been seen as the work of the accreditor.

Colleges and universities in the United States have an international reputation for exceptional quality, as does our system of accreditation. Indeed, many institutions around the world aspire to be accredited by a U.S. accreditor. But the fact that our accreditation system is a strong and much-admired system does not mean that it and our larger quality assurance triad are perfect.

Today’s hearing is focused on opportunities to improve accreditation. While I believe accreditors largely do a good job in protecting students, I also believe steps could be taken in the reauthorization of the *Higher Education Act* to create a stronger accountability system and therefore better serve students. But first, I’d like to tell you about some things that we are doing to support student success and protect the public’s investment in higher education.

At WSCUC, we define student success as student learning AND retention and completion. With regard to the latter, let me begin by noting that federal IPEDS data only measure completion for first-time full-time students at an institution. In the WSCUC region, IPEDS covers only about 360,000 of our 900,000 undergraduate students – making more than 500,000 students invisible.

To address the insufficiency of these data, WSCUC has developed the Graduation Rate Dashboard, a tool that enables us to see how many students graduate from an institution – no matter their enrollment status or time to degree.<sup>1</sup> Given that the majority of our students fall outside the IPEDS measure, this is an important development. The Dashboard can provide institutions with more complete and inclusive

information regarding student success; shine a light on enrollment, retention and graduation patterns; and allow WSCUC and institutions to better identify and address issues that affect student success.

The Dashboard can be seen as a sort of balance sheet that tracks how many credits are given out by an institution; how many are “cashed in” for a degree; and how many are left on the table. WSCUC collects six data points from institutions via our annual report, the baseline data tracked for all accredited, candidate and eligible institutions and referenced by WSCUC staff, peer evaluators and the commission during every accreditation review. On the basis of those data points, two completion measures are calculated: the “unit redemption rate” – i.e., the proportion of units granted by an institution that are eventually “redeemed” for a degree from that institution—and the “absolute graduation rate”—i.e., the proportion of students entering an institution who eventually graduate from that institution. The difference between the IPEDS graduation rate and the Dashboard rate can be significant: in the case of California State University Dominguez Hills, for example, the difference between a 30 percent IPEDS rate and a 60 percent Dashboard rate.

WSCUC has also contracted with the National Student Clearinghouse to receive data on both regional and national completion rates. The Clearinghouse includes in its completion data both transfer students and students enrolled after the six-year period that IPEDS uses as the cutoff for measuring institutional cohorts’ graduation rates. One of the benefits of the Clearinghouse data is that they, like IPEDS data, can be disaggregated by gender and ethnicity, as well as by institution type, which can be very beneficial in evaluating institutional effectiveness in supporting student success.

As student completion is important to all accreditors, the Council of Regional Accreditors, or C-RAC, recently launched a nationwide effort to place increased emphasis on graduation rates as part of our ongoing review of colleges and universities. Each accrediting body will use, at a minimum, a 15 percent IPEDS graduation rate for two-year institutions and a 25 percent rate for four-year institutions—about ½ the national average-- as triggers to closely examine institutional student success and plans for improvement.

Let me conclude by making three recommendations for the strengthening of our system of accountability, related to innovation, transparency, and appropriate levels of regulation.

First and foremost, I believe it is critical that the HEA reauthorization support the innovation necessary to serve current and especially future students, and that it allow accreditors the flexibility to review and approve innovations in a safe zone, as is allowed by current experimental sites. As our regional undergraduate population demonstrates, the majority of students today do not go to one institution full-time and finish within four years. I hope that the reauthorization will keep these changing student demographics in mind.

Secondly, whatever steps are taken to provide greater transparency should ensure that students can access accurate and relevant information on our institutions. Currently available data from the College Navigator and College Scorecard are sometimes inaccurate, sometimes in conflict with one another, and are limited due to their reliance on IPEDS data. Better information can help students make better choices and promote enhanced accountability across higher education. Understanding this, we at WSCUC have published all of our team reports and Commission action letters on our website since July 2012.

Finally, I hope that excessive regulations, such as those related to substantive change and defining the credit hour, will be addressed and moderated. Such regulations inhibit innovation and add costs and burdens to institutions without adding value.

Chairwoman Foxx and Ranking Member Scott, thank you again for allowing me to testify. I look forward to answering your questions and furthering the discussion around accreditation and higher education reform.

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<sup>i</sup> More information is available on the WSCUC website: <https://www.wscuc.org/resources/about-the-graduation-rate-dashboard>



Chairwoman FOXX. Thank you very much. Dr. Pruitt, you are recognized for 5 minutes.

**TESTIMONY OF GEORGE A. PRUITT, PRESIDENT, THOMAS  
EDISON STATE UNIVERSITY**

Mr. PRUITT. Thank you. Madam Chairwoman and members of the committee, in December, I completed three successive terms as Chair of the Middle States Commission on Higher Education.

Prior to that, I served for almost 19 years, under five Secretaries of Education, under three Presidents of both parties, as a member of the National Advisory Committee on Institutional Quality and Integrity, otherwise known as NACIQI, but today I come before you to provide an institutional perspective.

Thomas Edison State University is a specialty university. We were created with the mission of providing flexible, high quality collegiate learning opportunities for self-directed adults. The average age of our student body is approximately 40, and we do not regularly admit students under the age of 21 unless they are community college graduates or active duty military.

With an enrollment of 17,500 students, we are the third largest college or university in the State of New Jersey. We were among the first institutions in creating what is now known as "prior learning assessment." We were one of the first regionally accredited colleges or universities in the United States to offer complete degree programs online.

While we are noted for our innovation in the serving of adult learners, we are proudest of the recognition we receive for the quality and integrity of our academic work.

Regionally accredited institutions value their participation as members of quality assurance communities. While reasonable Federal oversight over the use of public funds is important and necessary, we believe that peer affirmation of quality tested against agreed upon standards promulgated by recognized academic authorities, has been essential in producing the finest set of academic institutions in the world.

There are four basic things we would all like to see from our accreditors. First, standards that respect the rich diversity and institutional mission and the different student populations we serve through a process of self-study and peer review.

Ten miles down the road from us is Princeton University, one of the finest institutions in the world, yet our two universities could not be more different. Both of high quality, but with very different missions serving two very different populations that require different analytics to understand us.

Second, accreditation focused on objectively demonstrable student learning outcomes.

Third, accreditation conclusions about institutional effectiveness that are based on objective evidence, appropriate metrics, and where possible, third party validation.

The emphasis should be on appropriate metrics that are aligned with the individual mission of the institution, and not a one-size-fits-all template, using misplaced data, such as graduation rates. If graduation rate is the wrong metric, then what are some of the right ones?

For example, Thomas Edison State University graduates achieved the highest pass rate of all New Jersey institutions on the National Public Accountancy Exam for three of the last five years.

In 2012 and 2014, the graduates of our Accelerated Baccalaureate Nursing Program earned a 100 percent pass rate on the State licensure exam. In fiscal 2016, 77 percent of our graduates were admitted to graduate schools, and only 7 percent of the students that stopped out of our institution did so for academic reasons.

The vast majority of students enrolled in American higher education today are over the age of 25 and attend college part-time. The traditional 18-year-old going to college full-time expecting to graduate in four years is a shrinking piece of the higher education pie. Accordingly, the metrics of accountability to be of any value must reflect this new reality. You'll never get the right answer to the wrong question.

Finally, accreditors should continue to oppose the substitution of compliance for quality assurance that is stemming from well-intentioned but misguided regulation by the Department of Education.

I believe that Middle States and the other regional accreditors are meeting these four benchmarks. We all understand that there have been some well publicized examples of institutions that have lost their way, compromised the public trust, misused public resources, and hurt the students that were enlisted into their care.

While these institutions should be held accountable by their accreditors, regulators, and consumers, the broad system of accreditation is fundamentally sound, but we must always be involved in a process of continuous improvement.

Accreditation should not be expected to prevent the failure of institutions. Instead, it should be the proverbial canary in the coal mine, identifying weak institutions, strengthening them where possible, and alerting the regulators and protecting students when institutions become severely challenged.

However, in our effort to improve the system, we must not impose remedies that do more harm than the maladies they seek to cure.

Thank you.

[The statement of Dr. Pruitt follows:]

**STATEMENT OF  
DR. GEORGE A. PRUITT  
PRESIDENT, THOMAS EDISON STATE UNIVERSITY  
BEFORE THE COMMITTEE ON EDUCATION AND THE WORKFORCE  
UNITED STATES HOUSE OF REPRESENTATIVES**

April 27, 2017

Madam Chairwoman and Members of the Committee, my name is George Pruitt and I am president of Thomas Edison State University in New Jersey. In December, I completed three successive terms as chair of the Middle States Commission on Higher Education. Prior to that I served for almost 19 years under five secretaries of education, under three presidents of both parties as a member of the National Advisory Committee on Institutional Quality and Integrity, otherwise known as NACIQI, but today I come to share with you the perspective of a regionally accredited institution.

Thomas Edison State University is a specialty university. We were created with the mission of providing flexible, high-quality collegiate learning opportunities for self-directed adults. The average age of our student body is approximately 40 and we do not regularly admit students under the age of 21 unless they are community college graduates or active-duty military. With an enrollment of 17,500 students, we are the third largest college or university in the state of New Jersey.

We were among the first institutions in creating what is now known as prior learning assessment. We were one of the first regionally accredited colleges or universities in the United States to offer a complete degree program “online.” While we are noted for our innovation in serving adult learners, we are proudest of the recognition we receive for the quality and integrity of our academic work.

Regionally accredited institutions value their participation as members of quality assurance communities. While reasonable federal oversight over the use of public funds is necessary, we believe that peer affirmation of quality, tested against agreed upon standards and promulgated by recognized academic authorities, has been essential in producing the finest set of academic institutions in the world.

The process of institutional self-study is vital to self-renewal. Peer review by trusted expert peers is crucial to avoid institutional self-delusion. While some have criticized peer review as mutual backslapping, that point of view is not informed by the reality of a process which is robust, independent and comprehensive. That is not to say that the process cannot be improved. Accreditors should, and have moved to, simplify the standards, share common language in reporting and findings, place greater emphasis on student outcomes, provide for differential scrutiny between strong, healthy institutions and those that are more challenged, and use objective measures of institutional effectiveness that take into account the specific mission of the institution and the population they serve.

There are four basic things we all would like to see from our accreditors:

First, standards that respect the rich diversity in institutional missions and the diversity of the various populations we serve through a process of self-study and peer review. Ten miles down the road from us sits Princeton University, one of the finest institutions in the world. Yet our two universities could not be more different; both of high quality, but with very different missions serving two very different populations that require different analytics to understand us.

Second, accreditation that is focused on student learning outcomes.

Third, accreditation conclusions about institutional effectiveness that are based on objective evidence, appropriate metrics and where possible, third party validation. The emphasis

should be on appropriate metrics that are in line with the individual mission of the institution, and not a one-size-fits-all template using misapplied data such as graduation rates. If graduation rates is the wrong metric, what are some of the right ones? For example, Thomas Edison State University graduates achieved the highest pass rates of all New Jersey institutions on the national public accountancy exam for three of the last five years. In 2012 and 2014, the graduates of our accelerated baccalaureate nursing program earned a 100% pass rate on the state licensure exam. In fiscal year 2016, 77% of our graduates were admitted to graduate school, and only seven percent of the students that stopped out of our institution did so for academic reasons. The vast majority of students enrolled in American higher education today are over the age of 25 and attend college part time. The traditional 18 year old, going to college full time, expecting to graduate in four years, is a shrinking piece of the higher education pie. Accordingly, the metrics of accountability, to be of value, must reflect this new reality. There can never be the right answer to the wrong question.

Finally, accreditors should continue to oppose the substitution of compliance for quality assurance that is stemming from well-intentioned, but misguided and inappropriate regulations by the Department of Education.

I believe that Middle States and the other regional accreditors are meeting these four benchmarks. We all understand that there have been some well-publicized examples of institutions that have lost their way, compromised the public trust, misused public resources and hurt the students that were enlisted into their care. While these institutions should be held accountable by their accreditors, regulators and consumers, the broad system of accreditation is fundamentally sound. However, we must always be involved in a process of continuous improvement.

Accreditation should not be expected to prevent institutions from failing. Instead, it should be the proverbial “canary in the coal mine” identifying weak institutions, strengthening them where possible, and alerting the regulators and protecting students when institutions become severely challenged. However, in our efforts to improve the system we must not impose remedies that do more harm than the maladies they seek to cure.

I hope you will consider the following points in the Higher Education Reauthorization Act:

First, heed the admonition contained in the physician’s oath: “first do no harm.” While there have been some highly publicized examples of questionable institutional behavior, the system of regional accreditation is fundamentally sound. Regional accreditation is a dynamic process, constantly adjusting to changing realities. The few lapses in oversight by these accreditors have been responded to, and I doubt will reoccur. They are genuinely committed to being more vigorous in protecting our students and the public.

#### **Regulatory Relief**

As I indicated earlier, for almost 19 years, I worked with the Department of Education as a member of the National Advisory Committee on Institutional Quality and Integrity and its predecessor committee, under several administrations of both parties. I found that work challenging but productive, and I enjoyed my engagement with the Department staff. I come to my current position on the unfortunate recent changes in the regulatory culture and regime of the Department with no philosophical or ideological animus, but with a deep sense of disappointment. While it is not my intent to impugn anyone’s goodwill, experience has taught me that sometimes bad things come from good intentions. Regulatory relief is needed in five areas:

1. **Credit hour.** For the first time I can recall, the Department of Education is requiring colleges and universities to equate the number of credit hours awarded for a course to “the seat time” a student sits in a classroom. Colleges and universities assign credit awards based on the quality of academic content in courses, not the time spent in a classroom. What about laboratory work, studio time, independent study, online courses, thesis and dissertation research, internships, cooperative education, physical education activity courses, none of which requires classroom “seat time?” As an undergraduate, I took a five-credit hour chemistry course. Between the lectures, discussion sessions and lab time, I was ‘in class’ 15 hours a week. I took a one-hour physical education activity class that met three times a week in a bowling alley. By the Department’s logic, the University of Illinois owes me 11 credits for those two courses. Of course they don’t. Credit hours for a course are a function of the ‘heft’ of the syllabus, not the location of the student’s posterior. Credit hour at its core is a matter of intrinsic academic judgement that must be left to the academy. This unfortunate application of federal regulation should be eliminated.
2. **State authorization.** It is not unreasonable to assume that states should license and regulate the activities of post-secondary educational institutions operating within their borders. This is reasonable to assure that a minimum threshold of quality is met, as well as to protect the rights of the consumer. Unfortunately, the Department has attempted to extend state licensure requirements to colleges and universities that have absolutely no physical presence in the state by including ‘online’ courses, literature distribution, and in at least one case, a billboard. The regulation cripples the use of technology that increases access, shortens time to completion, and lowers costs. The

community has responded under the leadership of the Higher Education Regional Compacts, which created the State Authorization Reciprocity Agreement (SARA). SARA has created a definition of ‘state presence,’ which is limited to actual physical presence in the state. I urge you to incorporate the SARA definitions into Higher Education Reauthorization.

3. **Defending regional accreditation from becoming “compliance franchises” of the Department of Education.** Over the last several years, the Department of Education continually promulgated a series of increasingly intrusive, overreaching regulatory and reporting requirements and made the regional accreditors enforcers of these rules as a condition of federal recognition. When you hear college officials complain about the minutia and nitpicking by accreditors, it is usually caused by the compliance protocols forced on the accreditors, not the quality assurance practices developed by the accreditors. I will defer to my colleagues from the accrediting agencies to talk about NACIQI, but given my long personal involvement with that organization, I can’t help but express my disappointment about the changes that have happened there.
4. **The Federal rating system or “score card.”** Colleges and universities are committed to providing easily accessible information about their institutions to allow educational consumers to make informed choices. However, when the Department of Education announced its intention to create a federal rating system or “score card” for colleges and universities, there was nearly uniform opposition from the higher education community. The reason for the opposition was not an aversion to disclosure, but because the task as stated is psychometrically impossible to achieve



with any validity. Again, Thomas Edison State University and Princeton University are both very high quality institutions, but it is impossible to come up with a common set of metrics that could adequately describe both. The great strength of American higher education is its diversity and its quality, but that diversity makes a “score card” impossible. Nevertheless, the Department persisted and the “score card” it produced magnificently illustrates the point that the task is not feasible. Attached to my testimony is a document I printed from the Department website entitled, “23 Four-year schools with low costs that lead to high incomes.” That is great information if it were true. I hope you will look at the institutions on the list. It contains 23 of the most expensive and selective colleges and universities in the nation. The only public institutions I recognize are Georgia Tech, University of Michigan, and the University of Virginia. There is Princeton, Harvard, MIT, Stanford, Duke, etc. The criteria that the Department used was “out of pocket” cost for a Pell Grant recipient. It is true that if you are a low-income student who is fortunate enough to be admitted to one of the institutions on the list, they will make sure that your financial circumstances will not preclude you from attending. While I know the Department had good intentions, to suggest to a working-class family that a sound strategy to achieve a “low cost high income” education is to go to the most expensive, selective school, is irresponsible. I am reminded of the quote by Peter F. Drucker: “There is nothing so useless as doing efficiently that which should not be done at all.”

5. **Litigation costs.** Accreditors are sometimes criticized for waiting too long in revoking the accreditation of struggling institutions. Sometimes this observation is valid. Accreditors are loathe to take that final step not because they are timid or lack

resolve, but because the consequences are so severe, especially for the students who are left institutionally homeless, with credits that are difficult to transfer. These consequences can be devastating, inflicted most severely on the people who are most innocent in the institution's failure. It is not an action to be taken lightly and only as a last resort. Another consequence of revoking accreditation is that the accreditor will most likely be sued. When accreditation is revoked, the due process procedures of accreditors usually result in an outcome that is well documented and clearly justified. However, loss of institutional accreditation is usually a death sentence and schools often fight for their survival. Middle States recently revoked accreditation from one of its member institutions that had a great history and a wonderful mission, but had fallen on hard times financially. It could no longer demonstrate that it had sufficient resources to be sustainable. Accreditation was withdrawn and the institution went to federal court and requested a temporary restraining order to block the action. After a three-day hearing in federal court, the request for injunctive relief was denied. Middle States requested a summary judgement upholding its actions, which after the submission of briefs from both parties, was granted. The institution appealed the judge's ruling. After submission of briefs from both sides, the appeal was denied. The accreditor's action was upheld but it spent nearly a quarter of a million dollars in defending itself. As accreditors continue to follow the will of Congress and be more proactive and aggressive, costly litigation is an inevitable result. This will drive the cost of accreditation higher, making liability coverage more difficult to acquire, driving up college tuition as higher accreditation costs are passed on to the

institutions. I urge Congress to take steps that will mitigate the unavoidable flood of lawsuits that will surely occur.

Thank you.

Chairwoman FOXX. Thank you, Dr. Pruitt. Mr. Miller, you are recognized for 5 minutes.

**TESTIMONY OF BEN MILLER, SENIOR DIRECTOR FOR POST-SECONDARY EDUCATION, CENTER FOR AMERICAN PROGRESS**

Mr. MILLER. Thank you, Chairwoman Foxx and Ranking Member Scott for the opportunity to testify today.

Every year, students and taxpayers invest billions of dollars in higher education, seeking better lives and a stronger economy. We trust a triad of States, the Federal Government, and accreditation agencies to ensure those investments pay off. The triad is failing us.

While no part of the triad is blameless, accreditors have either stood by or acted with molasses-like speed while taxpayer dollars and student dreams got wasted. Every campus of Corinthian Colleges maintained accreditation until the day it closed or was sold, even as allegations of falsified job placement rates, altered grades, and inadequate education piled up.

There are many schools of all types today that can proudly advertise their accreditation status while producing high levels of borrowing, low completion rates, and poor repayment outcomes.

Do accreditors know about these problems? Yes. They wag their fingers and sometimes issue threats. They rarely pull the plug.

Everyone in this room pays for this inaction. As taxpayers, we all pay when Federal loans are forgiven due to fraud or aid does not become a degree.

Today, we are fortunate to hear from two of the most forward thinking accreditation agencies, but remember, the good things they are doing are voluntary. Many other agencies have not followed their lead.

For example, WASC has required the publication of accreditation team reports for nearly a half decade. No other accreditor has done so. ACCSC requires independent verification of outcomes data. The other large national agency blew off the need for this action until its existence was threatened.

And, just as the accreditation system contains WASC and ACCSC, so, too, did it have the Accrediting Council for Independent Colleges and Schools. ACICS served as a safe haven for troubled colleges fleeing scrutiny from other accreditors. Its quality assurance work was literal box checking.

ACICS' results were grim. It approved over a dozen schools that faced Federal or State investigations for wrongdoing. Those schools received \$5.7 billion in Federal aid over just three years. 90 times ACICS named one of those campuses to its Honor Roll for an excellent understanding of the accreditation process.

These problems persist because we have created a system of quality assurance that says success means doing the things you said you'd do, not the actual results achieved.

So, what can Congress and accreditors do? First, Congress should make the system much more outcomes focused. Accreditors should judge schools primarily on the results of their students, and the Federal Government in turn should judge accreditors by how well they do, not just whether they have mandated standards in place.

Second, the system needs to get a lot tougher on lower performing colleges. Institutions with abysmal completion rates or no evidence of learning need stricter scrutiny. They should pay much more up front for their reviews, giving accreditors resources needed for deeper dives. A greater focus on the bottom should also come with an easier approval process for schools at the top.

Third, we need new alternative approaches to quality assurance that allow new providers with verifiably outstanding performance to access Federal aid.

Here is the Center for American Progress's idea for how that could work. Private third parties would propose indicators of student outcomes and financial health a program would have to meet in order to access Federal aid. Only the best should be able to clear the bars.

The Federal Government would then verify whether the programs seeking aid meet those standards and take action to approve or deny a program accordingly.

This approach marries the best elements of the current system while fixing many of its flaws. It preserves a role for third parties that have experience judging programs. It solves conflicts of interest by separating out who sets standards from who determines eligibility, and it leverages data the Federal Government already holds on earnings and loan outcomes to minimize the need for additional data collection.

A high quality college education can unlock a lifetime of benefits, but low quality programs can cause financial ruin, especially if Federal student loans are involved. Students and taxpayers today trust accreditation as a stamp of quality that their money will be worth it. We have a ways to go to ensure that is true.

Thank you very much, and I look forward to your questions.

[The statement of Mr. Miller follows:]

Written Testimony of Ben Miller, Senior Director Postsecondary Education at the Center for  
American Progress  
"Strengthening Accreditation to Better Protect Students and Taxpayers"  
U.S. House of Representatives Education and the Workforce Committee  
April 27, 2017

Dear Chairwoman Foxx and Ranking Member Scott, thank you very much for the opportunity to testify before you today about the importance of higher education accreditation in protecting students and taxpayers.

Every year, millions of American students enroll at institutions of higher education. Most are seeking better economic opportunities for themselves and their families in addition to the knowledge they need to become engaged members of society.

Regardless of whether they are attending the wealthiest college in the country, their local community college, or a beauty school down the street, these students are betting their futures on a quality education. That bet, in turn, depends upon a triad of oversight from state governments, the federal government, and private nonprofit agencies, all working in concert to guarantee quality.

This triad is supposed to represent the best of both public-private partnerships and federalism. Unfortunately, a game of buck-passing amongst these three sectors has allowed a range of problematic institutions to continue taking money from students and taxpayers, and it has failed to encourage the innovations we need to make sure our postsecondary education system keeps up with the needs of a changing economy.

While no part of the triad is without blame, accreditors must do better. They lack sufficient resources for meaningful accountability, do not always pay enough attention to student outcomes, and are unnecessarily opaque in their work. Though there are examples of good practices, accreditors often fail to follow best practices from peer agencies. Admittedly, Congress has done accreditors few favors by failing to grant the flexibility and protection needed to help these agencies operate better.

There is no simple fix for these fundamental challenges. Accomplishing the dual goals of consumer protection and innovation requires reforming the current system of accreditation, as well as exploring alternative ways of conducting quality assurance. I will touch on both briefly.

## Reforming the current system

Building an accreditation system that better serves students will require the following six reforms:

1. Adopting consistent language
2. Increasing resources for review of problematic colleges

3. Focusing more on student outcomes
4. Addressing tensions between improvement and accountability
5. Requiring more transparency
6. Allowing for greater flexibility

### Adopting consistent language

An accreditor's action against an underperforming institution can serve as a valuable warning sign to students and policymakers. Unfortunately, the current system lacks universal definitions and terminology necessary to help students and even government officials understand the extent of a problem when it occurs.<sup>1</sup> When some accreditors are close to the point of terminating an institution's approval, they place the college on "show cause." Other accreditors put the college on probation. Some offer warnings, others do not.

Even when accreditors use the same terminology, the true meaning can be very different. Some accreditors remove most show cause orders within six months. Others may keep them in place for two years or longer.

While the Council for Regional Accrediting Commissions (C-RAC) eased this problem somewhat by adopting common definitions among the regional accreditors,<sup>2</sup> more must be done. In particular we recommend two changes:

- **Regionals and nationals should adopt common terminology and definitions.** This includes the same progression of actions (e.g., warning, then probation, then show cause).
- **Accreditors should establish minimum timeframes for sanctions.** Placing an institution on show cause due to serious problems only to remove that status in six months raises serious questions about how meaningful the oversight was in the first place.

### Increasing resources for review of problematic colleges

In calendar year 2013, the 12 main regional and national accreditors spent just \$75 million on quality assurance.<sup>3</sup> That means every \$1 spent by accreditors grants access to nearly \$1,700 in

<sup>1</sup> Antoinette Flores, "Watching the Watchdogs: A Look at What Happens when Accreditors Sanction Colleges" (Washington, DC: Center for American Progress), available at <https://www.americanprogress.org/issues/education/reports/2016/06/21/139529/watching-the-watchdogs/>

<sup>2</sup> Doug Lederman, "Getting Their Act(ion)s Together," Inside Higher Ed, April 20, 2014, available at <https://www.insidehighered.com/news/2014/04/10/regional-accreditors-align-their-actions-and-procedures-they-use-impose-them>

<sup>3</sup> Antoinette Flores, "Getting What We Pay for on Quality Assurance" (Washington, DC: Center for American Progress), available at <https://www.americanprogress.org/issues/education/reports/2017/03/29/427955/getting-pay-quality-assurance/>

federal financial aid.<sup>4</sup> As a result of this low spending, the 12 main agencies employed fewer than 400 people to oversee 7,000 institutions and campuses.<sup>5</sup>

Agency spending per institution also varies widely. For example, the Western Association of Schools and Colleges, Senior Commission (WASC) spends over \$30,000 per school per year. The Higher Learning Commission (HLC), spends only about one-third of that amount.<sup>6</sup>

To some extent, low spending is an intentional feature of the accreditation system. These agencies rely on volunteer peer reviewers to visit an institution and assess its compliance with standards. But a largely volunteer system with little funding is not up to the task of safeguarding \$120 billion in annual federal financial aid.

Insufficient revenue for quality assurance has numerous ramifications. First, it means agencies have to conduct detailed reviews of massive institutions of higher education in short periods of time. The average site visit, for example, lasts less than a week.<sup>7</sup> Second, a shortage of professional staff may mean that accreditors struggle to balance competing demands from multiple problematic institutions. Third, the lack of resources creates a substantial imbalance when problems arise. Schools that receive millions in federal aid that do not like an accreditor's findings can take them to court and potentially bleed them dry, forcing a settlement.

Several reforms would improve accreditors' resources:

- **Greater attention to accreditor resources in federal reviews.** Federal reviews of accreditors are already supposed to look at an agency's resources but tend to be relatively cursory. These should be strengthened to examine whether the ratio of staff to institutions overseen is too low, as well as whether spending per school is sufficient.
- **Increase fees for problematic colleges.** Accreditors currently set their dues and fees schedules based upon factors such as the size of a school or its level of spending. None of them charge higher fees upfront for problematic colleges to reflect the higher costs required to closely review an institution with worrisome outcomes. Accreditors should work together to come up with performance-based fees that increase charges for problematic colleges (reflecting ability to pay) so that these agencies have the resources they need to devote more time to these schools.
- **Provide greater legal protections for accreditors.** One way to equalize the resource imbalance between schools and accreditors is to give the agencies some legal protections that lessen the risk of lawsuits when they act. These protections should be structured in a way that respects institutional due process rights while also preventing teams of high-priced lawyers from undermining the quality assurance system.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Higher Learning Commission, "Comprehensive Evaluation Visit," available at <https://www.hlcommission.org/Accreditation-Processes/comprehensive-evaluation-visit.html>; Accrediting Commission of Career Schools and Colleges, "Preparing for the On-Site Evaluation," available at <http://www.accsc.org/UploadedDocuments/2016%20February/Blueprint%20for%20Success%20-%20Preparing%20for%20the%20On-site%20Evaluation%20Final%20Web%20030216.pdf>



### Focusing more on student outcomes

Where accreditation agencies can offer valuable expertise that state and federal governments lack is in evaluating learning and academic outcomes. But too often, efforts to assess learning get bogged down in studying the bureaucratic processes on campus, and pay insufficient attention to actual student achievement.

In addition, learning cannot be the only indicator of quality assessed. After all, how meaningful is what people learned if no one graduates? Or if few students can repay their loans?

There have been some positive developments in this area, but they remain insufficient. For starters, all major national accreditation agencies have minimum thresholds on some measure of student outcomes, such as graduation and completion rates, exam pass rates, and job placement rates. But these thresholds are often based on a low bar that almost all institutions can pass—such as requiring programs and institutions to demonstrate a job placement rate of just 60 to 70 percent.<sup>8</sup> This approach does not question whether overall results are good enough.<sup>9</sup>

Second, regional accreditors recently announced they plan to study their institutions with low graduation rates.<sup>10</sup> While this process is encouraging, it is still in its early stages and so it is too early to tell whether it will amount to any real change.

Certainly, other parts of the triad share the blame. The current standards for institutional performance on federal loan debt are too weak. Of the 593,000 students who entered repayment on a federal loan in 2013 and defaulted within three years, just 619 attended one of the 10 colleges at risk of losing access to financial aid due to high default rates.<sup>11</sup> Judging colleges only on default fails to capture other debt problems, such as inability to repay loans, and are too easily gamed. If we really want accreditors to do a better job with the lowest performing schools, Congress and the Education Department must first act to remove the schools whose financial aid results are unacceptable.

Below are policies that Congress and accreditors could enact to increase attention to student outcomes:

<sup>8</sup> U.S. Department of Education, "National and Programmatic Accreditors Summary of Student Achievement Standards Summary," available at <https://www.ed.gov/accreditation>

<sup>9</sup> Ibid.

<sup>10</sup> Andrew Kreighbaum, "Tougher Scrutiny for Colleges With Low Graduation Rates," Inside Higher Ed, September 21, 2016, available at <https://www.insidehighered.com/news/2016/09/21/regional-accreditors-refocus-institutions-low-grad-rates>

<sup>11</sup> Ben Miller and CJ Libassi, "Sharing the Risk: A Plan for Colleges to Participate in the Costs of Student Loan Failure" (Washington DC: Center for American Progress), available at <https://www.americanprogress.org/issues/education/reports/2016/12/19/295187/sharing-the-risk/>

- **Require accreditors to set minimum outcomes standards.** Accreditors should work together to set minimum performance bars for outcomes, especially around completion and job placement. This should include common definitions, and does not need to be bound by existing formulas. These minimums must be set in a rigorous way that does not reinforce mediocrity for example by simply setting benchmarks at one standard deviation below the median.
- **Increase federal minimum requirements for student financial aid.** Congress should consider whether existing student loan performance thresholds and metrics are of sufficient rigor.

### Addressing tensions between improvement and accountability

By and large, accreditors see their primary role as helping institutions improve. However, the role they have come to play in the American higher education system demands that they accept responsibility for holding colleges accountable. Many times in the past few years, institutions of higher education have faced investigations from states' attorneys general or federal agencies.<sup>12</sup> On other occasions, accreditors themselves have turned up evidence of troubling practices related to job placement rates, among other areas.<sup>13</sup> Either way, accreditors are not in the dark when these investigations start. Yet many accreditors struggle to take meaningful action when these problems occur. They may ask institutions about the investigations and institute some additional monitoring, or they may request institutions address a problem and then give them repeated opportunities to come into compliance.

Failing to act when problems are first identified is a lost opportunity to protect students and taxpayers. A more proactive approach to red flags could possibly have prevented the flow of millions in federal dollars to institutions serving their students poorly. Accordingly, accreditation agencies should be held accountable if they fail to address issues that are -- or should be -- on their radar.

Two changes would help with this improvement versus accountability tension:

- **Hold accreditors responsible for problems they fail to identify.** The accreditor review process should look at instances where institutions approved by an agency faced investigations or other negative actions from other members of the triad. This should be limited to topics covered by an accreditor's standards (e.g. recruitment practices but not "slip and fall" problems).
- **Address challenges with institutions that have common ownership and multiple accreditors.** Oversight of national college chains with accreditation through multiple agencies can fall through the cracks. A problem turned up at one agency may not be shared with another. And agencies may fail to look at what practices are driven by the

<sup>12</sup> Ben Miller, "ACICS Must Go" (Washington DC: Center for American Progress), available at <https://www.americanprogress.org/issues/education/reports/2016/06/06/138826/acics-must-go/>

<sup>13</sup> Letter from Mary Gust to Jack Massimino, August 22, 2014, available at <https://www.republicreport.org/wp-content/uploads/2014/08/EdCoColtr822.pdf>

corporate headquarters. This should be fixed by ideally moving to a system where commonly owned institutions do not have different accreditors. Until then, accreditors should conduct joint reviews—including of corporate headquarters—when they have institutions that receive approval through multiple agencies. The current proposal to sell the Education Management Corporation is an opportunity for accreditors to conduct a more centralized review of a large company with multiple accreditors.

### Requiring more transparency

Accreditation agencies' decisions affect the flow of billions of taxpayer dollars. Accordingly, the public and policymakers should have a right to see the actual work conducted by these agencies. This includes self studies, team reports, and reasons for sanctioning or removing a sanction from a college.

To its credit, WASC instituted a policy in June 2012 to publish these documents for the schools it oversees.<sup>14</sup> Yet in the nearly half decade since, no other major accreditor has followed its lead. Similarly, while many accreditors have released a list of their actions and occasionally provide some details for the steps taken, it was not until recently that the Department of Education began requiring the reporting of this information that it became available in a systematic way.

Given the lack of action on this front despite years of interest, Congress should step in and require the publication of these accreditation documents. Many accreditors and institutions will likely resist, arguing college officials and their own staff and volunteers will not be candid without confidentiality, but this is a ruse.<sup>15</sup> For example, a review of several team reports from the most troubled accreditation agency—the Accrediting Council for Independent Colleges and Schools (ACICS) did not reveal candor. It showed a rudimentary “check-the-box” approach to review that could have been stopped years ago had policymakers been aware of the problem<sup>16</sup>

### Allowing for more flexibility

Many of the recommendations above call for greater consistency and standardization around terminology, formulas, and minimum performance thresholds for accreditors. But other parts of the accreditation system would benefit from greater flexibility. This is true of not just how accreditors review colleges, but also what level of access they grant to financial aid, and how the Department of Education reviews them.

The accreditation process could pursue differentiation in several ways.

<sup>14</sup> WASC Senior College and University Commission, “Public Disclosure of Accreditation Documents and Commission Actions Policy,” available at <https://www.wscuc.org/content/public-disclosure-accreditation-documents-and-commission-actions>

<sup>15</sup> Council for Higher Education Accreditation, “Position Paper: Regulatory Relief for Accreditation,” April, 2017, available at <http://www.chea.org/userfiles/Occasional%20Papers/Regulatory-Relief.pdf>

<sup>16</sup> Ben Miller, “ACICS Must Go.”

- **Differentiated institutional reviews.** Accreditors should provide a path where high-performing institutions face streamlined reviews, with the resources freed up from this process redirected toward greater scrutiny around colleges with worrisome results. Several accreditors are currently pursuing different paths for institutional reviews.
- **Differentiated access to federal financial aid.** Current accreditor approval for federal financial aid is binary. Institutions can either access all parts of the aid programs or nothing. This makes removal of federal student aid essentially a nuclear option that would likely force most schools to close. Accreditors should have the ability to grant different levels of access to federal aid. For instance, they could give new providers time to prove themselves by first allowing them to receive only grants, then greenlight them for loans if all has gone well. (This chronology would reflect the greater risks to students that come with debt.) Similarly, accreditors could first deny access to loans from failing colleges as a way of easing them out of the system without causing immediate closures. Granting accreditors the authority to pursue other changes at colleges--such as replacing leadership--could be another way to more effectively drive improvement.
- **Differentiated approval of accreditors.** The current system fails to reward accreditors who want to be more rigorous. In fact, there are several instances among national accreditors of colleges seeking out weaker agencies after facing challenges from stronger ones.<sup>17</sup> When it reviews accreditors, the federal government should set up a different and less onerous track for agencies that have demonstrated that they conduct rigorous oversight and that the institutions they approve have strong outcomes.

## Establishing an alternative system of quality assurance

Improving the current system is not enough. There is substantial experimentation outside the traditional system of higher education that may merit access to federal funding. Experimenting with new ways of assessing the quality of these providers could provide lessons for improving the existing system without creating too much disruption for the millions of students and billions of taxpayer dollars currently tied to accreditation. New models of quality assurance could seek ways to reduce the burden of quality assurance while still having strong protections for students.

An alternative system should be predicated on a streamlined approval process available only for educational providers that can demonstrate exceptional student outcomes and financial health. It should be voluntary and not replace the existing system. This alternative should preserve what the current system does exceptionally well. It should also seek new approaches to solve some of the most pressing challenges of existing accreditors—the inconsistent presence of clear outcomes standards, the tensions between accountability and improvement, and difficulties in assessing the accuracy of claims made by institutions.

Here is how CAP proposes accomplishing the goals above. First, the alternative system would continue to rely upon private third parties to determine appropriate standards for student

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<sup>17</sup> Ben Miller, "ACICS Must Go."

performance and financial health. These actors would be called “standard setters.” Much like today’s accreditors, these bodies would submit an application to the U.S. Department of Education outlining the measures that they believe are necessary to deem an educational provider of sufficient quality for accessing federal financial aid. These standards would have to consist of quantifiable measures with clear thresholds. This includes outcomes such as student loan repayment, completion, job placement, and earnings.

This system would also require greater upfront financial protections for all new providers. Those without a track record of success would be required to post either a letter of credit or a surety bond to ensure that taxpayers and students can be made whole if things go wrong. Upfront financial commitments also serve as a market test to judge whether private actors think a program is worth an investment risk.

Admittedly, measures such as completion rates and earnings do not represent the full range of positive outcomes that can and should come from a high-quality education. These items, however, represent the minimum information the federal government must have to have confidence that allowing a provider’s students to borrow loans and receive grants will not lead to unwanted results down the line.

While we rely on third parties to set standards, the rest of the quality assurance work would be handled by the federal government. This includes collecting performance data from institutions, verifying that information is accurate, and approving providers that meet standards and denying or removing eligibility for those who do not.

Having the federal government handle verification and enforcement improves on the current system in several ways. First, the federal government can already access much of the necessary information—such as earnings and loan outcomes—while accreditors cannot do so without additional data collection. Second, the federal government possess greater resources than accreditors, which gives it greater ability to verify that institutions are telling the truth about outcomes. Finally, having the federal government ultimately make the decision about approving or denying providers removes a major conflict of interest in the existing system whereby accreditors strive to both help colleges improve and hold them accountable.

All told, this alternative system would marry the best of both worlds, with a role for private actors, and with increased rigor and oversight from the federal government. Additional details for our proposal can be found in “A Quality Alternative,” which the Center for American Progress published in October 2016.<sup>18</sup>

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<sup>18</sup> Ben Miller, David A. Bergeron, and Carmel Martin, “A Quality Alternative: A New Vision for Higher Education Accreditation” (Washington DC: Center for American Progress) available at <https://www.americanprogress.org/issues/education/reports/2016/10/06/145152/a-quality-alternative-a-new-vision-for-higher-education-accreditation/>

## Conclusion

For students and families, a college education is likely the second biggest purchase they will make after a home. Taxpayers, meanwhile, invest over 120 billion a year for educational options beyond high school. The sums of money involved demand that we have a strong quality assurance system that ensures funds go to high-quality educations.

The onus for quality assurance cannot fall entirely on accreditors, but that does not mean they are blameless, either. Accreditors must be expected to act when problems arise. They must do a better job working together to raise standards, promote consistency, and increase transparency -- or have Congress step in if they cannot.

The steps above will make our higher education quality assurance system stronger and more meaningful. But they cannot be a replacement for action elsewhere in the triad. The federal government, especially, cannot back down from its efforts to hold institutions accountable through consumer protection rules. And Congress, too, must ask whether the current system of cohort default rates and other tools are sufficiently rigorous. In other words, accreditation improvements are a necessary, but not sufficient, step in guaranteeing all students can access a high-value postsecondary education.

Chairwoman FOXX. Thank you. Dr. McComis, you are recognized for 5 minutes.

**TESTIMONY OF MICHAEL S. McCOMIS, EXECUTIVE DIRECTOR,  
ACCREDITING COMMISSION OF CAREER SCHOOLS AND COL-  
LEGES**

Mr. McCOMIS. Good morning, Madam Chair, Ranking Member Scott, and members of the committee. My name is Dr. Michael McComis, and I'm the Executive Director of the Accrediting Commission of Career Schools and Colleges.

I'm honored to appear before the committee this morning to discuss accreditation, the contributions it makes to the quality of education in this country, and the ways it might be improved.

Accreditation has been relied upon for educational quality assessment purposes by the Federal Government for over six decades. Although accreditation has come under increased scrutiny by policymakers, accreditation can and should continue to serve in its gatekeeping capacity, albeit in a strengthened form.

Accreditation employs a collaborative approach within a peer review network that identifies best practices and assesses how well an institution meets those best practice standards. It is not nor can it be a one-size-fits-all system with rudimentary metrics that do not take into account diverse objective and qualitative elements of an institution's operations and success.

Accreditation derives its strength from four essential pillars that are built upon a foundation of peer review, standards or best practices, self-evaluation, ongoing institutional improvement, and accountability.

Accreditation serves a myriad of institutions accredited by agencies with different standards and expectations of student outcomes. This is both appropriate and necessary, and should be viewed as a strength to our system.

But Congress should consider changes to the Higher Education Act that will strengthen accrediting agencies, however, without injecting undue Federal intrusion into the learning process or that might serve as a barrier to innovation.

Judgments regarding the effectiveness of accreditation should not lose sight of the fact that the oversight of higher education is a shared responsibility amongst the triad partners, accreditors, States, and the Federal Government, working together, which strengthens the existing oversight system.

So then, how can accreditation be strengthened through the Higher Education Act? The following are some suggestions that I hope the committee might consider.

Outcomes. Outcome measures are not a one-size-fits-all solution and should not be mandated by Congress or the U.S. Department of Education. However, accreditors must define the right set of measures and metrics to evaluate institutional and student success.

At ACCSC, we measure rates of graduation, employment, licensure, and required learning and competency assessment.

Transparency. Accreditors should be expected to provide useful disclosures of the accreditation actions taken that can help the gen-

eral public make informed decisions about the quality of an institution or program.

Differentiation. Allow for differentiated levels of accreditation which could place schools in different categories and move beyond binary decisions regarding quality.

Credit hour definition. Seat-time requirements for funding programs do not preserve academic integrity nor promote competency-based assessment, and as such, the Federal definition of a “credit hour” and the complex clock hour conversion formulas should be removed from the Federal regulations.

Accreditation area of focus. It may be useful to expect accreditors to focus more narrowly on the types of institutions accredited in order to ensure a strong peer review foundation and solid measures related to outcomes and accountability.

Transfer of credit. Accreditors should be expected to have and enforce standards that prevent institutions from unfairly or unjustifiably denying credit transfers.

Change of accreditors. Institutions that have been subject to a monitoring sanction from one accreditor should not be allowed for Federal financial aid purposes to seek a new accreditor for some set period of time after the sanction has been lifted.

Lastly, indemnification. Given the high stakes associated with the loss of accreditation and the ensuing loss of access to Title IV student financial aid funding, the Federal Government should consider affording accreditors some protection as a means to prevent specious and costly lawsuits from being brought against accrediting agencies.

I’ve also included other areas for the committee to consider within my written testimony, and I hope the committee finds these recommendations useful as it goes about its work, and I’m happy to provide additional details regarding each.

Thank you for the opportunity to testify before the committee this morning, and I look forward to continuing the dialogue on ways in which we can work together to strengthen our accreditation system. Thank you.

[The statement of Mr. McComis follows:]22-32



Testimony of Dr. Michale S. McComis, Executive Director,  
Accrediting Commission of Career Schools and Colleges (ACCSC)

Before the  
House Committee on Education and the Workforce  
For the Hearing  
“Strengthening Accreditation to Better Protect Students and Taxpayers”

April 25, 2017

Madame Chair and members of the Committee, my name is Dr. Michale McComis and I am the Executive Director of the Accrediting Commission of Career Schools and Colleges (ACCSC), a private, non-profit independent national accrediting agency recognized by the United States Secretary of Education. ACCSC accredits over 650 career- and vocational education-oriented postsecondary institutions that annually serve over 150,000 students throughout the United States. ACCSC-accredited institutions offer programs in a diverse array of career and technical fields including traditional trades programs such as: plumbing; heating, ventilation and air conditioning; and welding; health care fields such as nursing; medical assisting; and dental assisting; and in the artisan crafts such as furniture making; preservation carpentry; and wooden boat building.

I am honored to appear before the Committee this morning to discuss accreditation and the contributions that it makes to the quality of education in this country as well as the ways in which accreditation can be strengthened and improved.

Accreditation as an education quality assessment mechanism has been the hallmark of educational success in this country for over a century and has been relied upon by the federal government for this purpose for over six decades. Although accreditation has recently come under increased scrutiny by policy makers, accreditation can and should continue to serve in its gate-

keeping capacity, albeit in an enhanced form which I will describe later in my testimony. Accreditation employs an earnest and collaborative approach within a peer-review network that identifies best practices and assesses how well an institution meets those best practice standards. It is not, nor can it be, a one-size-fits-all system with rudimentary metrics that do not take into account both subjective and qualitative elements of an institution's operations.

Accreditation has four essential pillars that are built upon a foundation of peer review. Those pillars are: 1) standards or best practices, 2) self-evaluation and assessment, 3) on-going institutional assessment and improvement, and 4) accountability.

1. **Standards:** Through peer review, best practices are established and mandated;
2. **Self-evaluation:** Institutions are evaluated internally and externally and assessed as to how well they meet standards and can demonstrate success through student outcomes;
3. **On-going Institutional Assessment and Improvement:** Expectations of significant and on-going institutional assessment and improvement are established; and
4. **Accountability:** Institutions are held accountable for compliance with standards and outcomes – to include the loss of accreditation –when expectations are not met.

Accreditation also takes different forms and serves many different kinds of institutions. National accreditors, such as the agency I represent, primarily accredit institutions that offer an array of career- and vocationally-oriented programs that are mainly non-degree and sub-baccalaureate degree with some baccalaureate, master's and doctoral degree programs. Regional accreditors, on the other hand, primarily accredit community colleges, 2 and 4 year colleges, and universities that offer degree programs in an array of liberal arts and professional fields as well as some non-degree and degree programs in vocational fields. Given the wide variety of accredited institutions, it

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follows that institutions will be accredited by different types of accrediting agencies with different standards and different expectations of learning and outcomes. This is both appropriate and necessary. However, the differences among accreditors and the types of institutions they accredit do not make one type of accreditation “better” than another – the success of any accreditation agency is not based on the type of institution accredited but upon the strength of each of the fundamental pillars in the agency’s system and the strength of the peer review foundation. All accreditors – regional or national and regardless of the types of institutions accredited – should enforce an accountability-based model that combines rigorous input standards with performance outcomes in categories such as student learning, student assessment, and student achievement.

I recognize that the expectations of accreditors by the federal government are changing, such that accreditors are subject to far greater federal oversight than at any time in the past. Congress has a vested interest in ensuring that the strength of any accrediting agency is at an appropriate level before that agency may be recognized as a gatekeeper to Title IV funds. As such, the Congress should seek to enact changes to the Higher Education Act that will responsibly and appropriately provide such assurance; however, this should be done without injecting undue and inappropriate federal intrusion into the academic processes of higher education.

Measures relating to performance and results are present in the existing accreditation system, although in a variety of forms and not always in easily packaged metrics. However, it is the variety of these measures that contribute positively and materially to the strength of our decentralized oversight of education in this country. Having said that, however, accreditors must do better at defining student achievement outcomes with greater transparency to show how these measures are applied so that the public and policy makers can rely on the results of those evaluation

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processes. Accreditation, as the sector with the principle responsibility for quality assurance in higher education, needs to work earnestly toward moving the discussion of accreditation's effectiveness from that of skepticism to confidence.

My sincere hope is that any judgment regarding the effectiveness of accreditation not lose sight of the fact that the oversight of higher education, as set forth in current law and regulation, is a shared responsibility. Each member of the regulatory triad – state government, accreditor, and federal government – has an essential role to play in the oversight of institutions. In this regard, the Committee should consider several of the recommendations made by the National Advisory Committee for Institutional Quality and Integrity (NACIQI) in its April 2012 Report, chief among them the need to clarify and to articulate common understandings about the responsibilities of each member of the triad, and foster increased communication among triad actors to achieve greater commonality across the quality assurance/eligibility enterprise. By continuing to work together in partnership with the various organizations within the regulatory triad, I believe we can strengthen the existing oversight system while retaining the positive qualities of accreditation and the expertise and nuance that peer-review represents and delivers.

Moreover, for the sake of higher education's advancement, the higher education community – including accrediting agencies – must be allowed to adapt and innovate in order to accommodate the diversity of students, student preferences, and learning styles. This supports reasons why there is not, and should not be, a one-size-fits-all system of accreditation. As higher education takes a more diverse shape, accrediting agencies and the peer review process should foster avenues for institutions to develop and deploy innovative approaches that both increase access to higher education and fundamentally change the manner in which education is delivered.

Ensuring the quality and integrity of these programs without undue regulatory burden must also remain a paramount goal.

**An Example of Federal Overreach in Accreditation:**

The federal definition of a credit hour, however, is an example of undue regulatory burden and intrusion into the academic process by the federal government that stunts innovation. In my experience, competency-based models of student assessment are superior to “seat-time” models of student fulfillment, particularly in “hands-on” fields such as welding or nursing. But, by creating the federal definition of a credit hour, the U.S. Department of Education federalized a basic academic concept and developed a complex and confusing system and then required accreditors to enforce this regulation. This serves as a prime example where accreditation has been co-opted to enforce federal overreach and blurs the lines between accreditation’s self-defined quality assurance and institutional improvement role and the quasi-surrogacy federal enforcement role that the US Department of Education has foisted upon accrediting agencies. Moreover, the federal definition of a credit hour unintentionally serves as a barrier to innovation in educational delivery models such as a movement to competency assessment. Although the Department’s position on “direct assessment” is a step in the right direction, it coexists in federal regulation with the federal definition of a credit hour, which causes uncertainty on how to move forward with more innovative models. Respectfully, the Congress should look at ways to create a focus on what students can do and in creating pathways that enable student to earn “badges” and engage in stair-step programs and life-long learning.

**Areas to Consider:**

So then, how can accreditation be enhanced through the Higher Education Act? The following are some suggestions for the Committee to consider:

**Macro Areas:**

1. **Outcomes:** Outcomes measures are an important part of the assessment paradigm for higher education institutions. But, outcomes measures are not a one-size-fits-all solution and while the Congress should expect accreditors to have rigorous outcomes measures, the measures themselves should be determined by the accreditors based upon the types of institutions accredited. Accreditors must find and define the right set of measures and metrics to evaluate institutional and student success. While program-level rates of graduation and employment work well for the types of institutions accredited by my agency, those same measurements may not be as appropriate in other types of institutions. Moreover, outcomes measures by themselves are not a panacea and alone cannot provide a sole assessment of the quality of an institution or its programs. Input standards are an equally important part of the assessment paradigm and serve to illustrate why accreditation is an important part of the higher education regulatory landscape. Outcomes measurements work best when complemented with rigorous input standards (e.g., standards pertaining to educational administration; curriculum design, development, and evaluation; faculty qualifications; learning resources; facilities; student services; student learning; student assessment; and other areas that contribute to quality education programs).

Generally, outcomes measures should be a reflection of how well students learn and how well an institution performs relative to standards (i.e., best practices) and should minimally require institutions to assess:

- Student learning and competency attainment;
- Rates of retention or graduation;
- Rates of employment and certification/licensure exam pass rates in career and professional programs and measures related to “employability”<sup>1</sup> in other program areas; and
- Measures of student, graduate, and employer satisfaction.

These kinds of outcomes taken together with an assessment of an institution’s adherence to input standards provide the tools necessary to assess quality and value.

2. **Accreditation Area of Focus:** It may be useful to expect accreditors to have a more focused scope regarding the types of institutions accredited as a means to ensure a strong peer-review foundation. This is known as the “bucket” approach whereby types of institutions are grouped into buckets with an accreditor that is focused on that specific type of institution e.g., career- and vocationally-oriented institutions, community colleges, liberal arts colleges and universities, research universities, etc. This approach may allow for better peer-to-peer evaluation and bring about better measures related to outcomes and accountability.
3. **Differentiation:** An additional approach to consider to allow for differentiated levels of accreditation which could place schools in different categories. The primary purpose of

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<sup>1</sup> By “employability” I mean assessments made by graduates and employers about how well the graduate was prepared to enter the workforce based on the education received. This could serve as an appropriate outcomes measure for students pursuing education in many liberal arts fields.

differentiated accreditation is to allow accreditors to continue to fulfill their traditional role of working with schools toward continuous improvement goals and meeting minimum standards while also serving as gatekeepers to various federal funding programs. Differentiated accreditation could allow for an institution to move in and out of eligibility for funding programs, which may be a better option than the “all or nothing” binary system that the Higher Education Act acknowledges and that the ensuing regulations currently employ. However, an accreditor could determine that a school can maintain its accreditation while working toward improvement, but at a “different-level” of approval than another accredited school approved at a higher level. This different level of approval could alter, limit, or suspend the federal financial aid available to students to use at that institution. This approach preserves a school’s ability to regain full eligibility for federal financial aid while also not putting more students and tax dollars at risk at underperforming institutions. This type of differentiation of accreditation can also easily tell students how well a school is doing.

4. **Transparency:** Accreditors should provide useful information regarding the accreditation actions taken by the agency that can help the general public make informed decisions about an institution or program.
5. **Transfer-of-Credit:** Accreditors should have and enforce standards that prevent institutions from unfairly or unjustifiably denying credit transfer. This serves the best interest of students and represents a better use of federal tax dollars. Congress should expect accreditors to require of their accredited institutions transfer of credit policies that do not discriminate and which are fair and balanced.



6. **Credit Hour Definition and Clock Hour Conversions:** Seat-time requirements for funding programs do not preserve academic integrity nor promote competency assessment and as such the federal definition of a credit hour and the complex clock-hour conversion formulas should be removed from the federal regulations. If accreditors are going to be the purveyors of educational quality assessment, then accreditors should be given the discretion necessary to define the elements that go into the assessment paradigm.
7. **Changing Accreditors:** Institutions that have been subject to a monitoring, Show Cause/Warning Order, or Probation Order from one accreditor should not be allowed, for federal financial aid purposes, to seek a new accreditor for some set period of time after the sanction has been lifted (e.g., three years). When institutions “run” from one accreditor’s action to a clean slate with another accreditor, public interest is not served because applicants and parents are not aware of the history of performance at that school.
8. **Indemnification.** Given the high stakes associated with the loss of accreditation and the ensuing loss of access to title IV student federal financial aid funding, institutions feel as if there is no choice but to take the accreditors decision to the courts. This is an exceedingly costly process and can cause accreditors not to take swift and decisive action for fear of being dragged through painful and exceedingly costly litigation. Given the federal government’s reliance and dependency on accreditation and the gatekeeping role that accreditation plays, the federal government should afford accreditors some protections as a means to prevent specious lawsuits from being brought against accrediting agencies. Accrediting agencies simply cannot afford to defend against multiple litigation processes (e.g., legal fees, litigation expenses, liability insurance premiums, human resources costs, opportunity costs, etc.).

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**Micro Areas:**

1. **Appeals Process:** The last reauthorization of the Higher Education Act yielded several significant changes to the process that accreditors must enact with regard to the appeal of an adverse accreditation decision. While I believe the Congress was well intentioned, the ensuing regulations have created a far more complex and cumbersome process that has not, in my experience, yielded greater due process for institutions. I suggest the Committee review the history of legislative intent and regulatory changes in this regard and consider reverting back to the pre-2008 requirements.
2. **Substantive Changes:** The Committee should review the provisions that permit accreditors to visit only a “representative sample” of additional locations if an institution operates more than three additional locations and that allow an institution to establish additional locations without prior approval from its accreditor. In my experience, growth of an institution, to include the addition of geographically distant campuses, should require greater oversight, not less. Accreditors should be required to visit and evaluate fully each campus or location where federal Title IV financial aid dollars may be spent by students.

**Conclusion:**

It is my hope that the Committee finds these suggestions to be a useful addition to the discussion regarding accreditation’s continued role as a gatekeeper to federal financial aid programs and I will be happy to provide additional information as may be requested.

As the Executive Director of a national accrediting agency, I can attest that my organization is keenly aware of the important role that accreditation plays as a gate-keeping entity in the triad and understands the impact that that role has on ensuring the reliability of our nation’s current

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higher education oversight system. I am also cognizant that questions remain from policy members, regulators, and the general public regarding whether accrediting agencies have been living up to our collective responsibilities, and whether or not accreditation has the appropriate level of rigor and outcomes assessments. To that end, I look forward to continuing the dialogue on ways to strengthen accreditation as a means to ensure that accreditation continues to fulfill its role as a gatekeeper to the Title IV federal student financial aid programs.

Thank you again for the opportunity to testify before the Committee and I happy to answer any questions you may have.

Chairwoman FOXX. Thank you very much. You win the prize for coming in under time. I want to thank all of you for your testimony and your written testimony is even more expansive, and I am grateful for that.

I will begin the questioning. Dr. Petrisko and Dr. McComis, I believe very strongly in ensuring accountability for hard-working taxpayer dollars. Right now, you and your colleagues are responsible for ensuring \$128 billion the Federal Government sends out in student aid every year, is flowing only to high quality institutions.

Can you explain to the committee how the current system of accreditation with the competing roles of quality assurance and continuous self-improvement is able to accurately measure and assure institutional quality and protect the taxpayer investment at the same time?

Why should Congress, and more importantly, students and parents, continue to rely on your agencies as reliable authorities for the quality of institutions of higher education?

Dr. Petrisko, I will start with you, and then come to Dr. McComis.

Ms. PETRISKO. Thank you. It is certainly true that accreditors balance all the time in our decisions compliance with our standards and improvements at the institutions. As we do that, we are very keenly aware of the fact that many students have no other institution to attend if they are not able to attend the one where they are currently enrolled.

So, we want to keep institutions strong, make them stronger, address the issues of non-compliance or weakened areas of compliance with a range of actions, not pulling the plug automatically, but with special reports, visits, and sanctions when necessary, that carry a real threat of loss of accreditation, but it is to maintain operations of those institutions that are supporting students and strengthening them at the same time.

Chairwoman FOXX. Thank you. Dr. McComis?

Mr. MCCOMIS. I'll echo what Dr. Pruitt said along the lines of the many successes that we can point to, even amidst some of the failures that are present as well.

Insofar as measuring quality, that is a difficult aspect to bring about, so the richness and the diversity, the types of institution, and the peer review network that brings about individuals coming together to establish those best practice standards, the key being really from there setting and establishing those outcome measures that really set to reflect what quality can or should be.

So, for example, again with my agency, because we predominately work with vocational and career oriented institutions, we can look to measures like graduation rates. We can look to measures like employment rates. We can look to measures like licensure rates. But also, at the same time, acknowledging that in order for a welder really to graduate, they need to be competent. So, competency assessment measures as well.

So, all of that woven together into a system that brings about a highly qualified graduate that can contribute to a highly qualified workforce is really the main aim here.

Chairwoman FOXX. Thank you very much. Dr. Pruitt, I agree with you that Thomas Edison is a special university and applaud the work your institution has done to serve adult learners.

Can you discuss how a one-size-fits-all system of Federal accountability might jeopardize the crucial work your institution and other institutions like yours are doing to serve contemporary students? Why is it so important that accreditors have the flexibility to determine appropriate outcome metrics for ensuring the quality of institutions?

Mr. PRUITT. Thank you, Madam Chairwoman. It is crucially important that metrics be mission sensitive. In the absence of that, metrics tend to assess the demographics of the student body and not the quality of the institution.

I come back to my favorite subject about the graduation rates. I saw eyebrows raised from my colleague when we had a talk about graduation rates in the 20 something percent range, and everyone looked like, well, that's too low.

Well, it is too low if your assumption is that you're going to college full-time and expect to graduate in four years. None of the 17,500 students in my institution—none of them go full-time, none of them expect to graduate in four years. My colleague institution down the street, Princeton, all of them expect to go full-time and graduate in four years.

So, to create one metric that you try to apply across the board to different institutions without regard to the individual mission of the institutions or the constituents that they are serving, distorts the picture of both institutions.

So, the dreaded template never works for diverse institutions serving diverse populations. It actually misleads the public and looks for false indicators of quality that kind of confuses the conversation. That's why it's so important to have these indicators referenced to the specific mission of that particular institution against similar institutions and peers.

You can do that. We have a track record of doing that. That's the way it should be done, and not the dreaded template. Thank you.

Chairwoman FOXX. Thank you very much, Dr. Pruitt. Mr. Scott, you are recognized.

Mr. SCOTT. Thank you, Madam Chair. Dr. Petrisko, should the cost of the institution be a factor in accreditation?

Ms. PETRISKO. Should the cost of the institution be a factor in accreditation? I want to say a couple of words about costs. There's a lot of misunderstanding about costs in higher education because a lot of people take a look at the sticker price as opposed to the net price.

There is a recent publication of the Association of Governing Boards, which I will be happy to put into the record, that talks about the reality of what the real costs are of education and what the rise in those costs have been.

So, for example, at the four year institution level publicly, over the last 26 years, this is the highest rate of increase, the rate of increase of the net price has been about 3.7 percent. For community colleges, it's been about 1 percent a year, and for the private institutions, it's been less than 1 percent a year. That's the net price.

There's a vast difference because of a lot of discounting at the private institutions to ensure that there is some flexibility in pricing schedules to allow students who would not have the wherewithal to pay the sticker price to attend that institution.

So, there is a lot of misinformation out there and it's a complicated issue, but the costs are not what some people might think they are.

Mr. SCOTT. Basically, if two schools of equal quality, one charging two, three times more than the other, should that be a factor in accreditation?

Ms. PETRISKO. I would say no, it depends on how the students are supported to pay for those costs, and they are supported in different ways, by loans, grants, and institutional aid.

Mr. SCOTT. Should false advertising be a factor in accreditation? Some schools promise that if you go to their school, you'll get a job. Others, if you come to school, you'll get a good education, but you may not be able to get a job.

Ms. PETRISKO. Absolutely. There is a form that our evaluators use to make sure that institutions are giving their students correct information about costs, what it really costs, what their job prospects are, and that their recruiting materials are accurate and true. So, we do require that be reviewed.

Mr. SCOTT. I visited Dr. Pruitt's school, and enjoyed the visit, Dr. Pruitt. He indicated it is inappropriate to judge a school's outcomes without recognizing the difference in the demographics of the student body. One could have everybody coming from the top one percent, others could have high Pell-eligible .

Can you have a student outcome measure that does not recognize the diversity in the student body demographics?

Ms. PETRISKO. I do not think so. The 20 percent rate that Dr. Pruitt referred to, which is an IPEDS rate, when I talked about the Council of Regional Accrediting Bodies, we have examples at our institutions where the IPEDS rate goes 30 percent, and the actual rate, not taking enrollment into consideration, and not taking time to degree into consideration through this Dashboard that I've talked about in my testimony, the actual rate of one institution in the California State system with a very high percentage of part-time students and students taking a very long time to get their degrees is more like 60 percent.

So, it absolutely is relevant, who the students are, what their paths to degrees are, and how long those paths take. Just seeing a certain percentage of an IPEDS rate, the national available rate, may be an indicator, it's a trigger, as I said, to look further, but if that percentage, as was the case with one of the institutions I looked at in our region recently, if that percentage represents 4 percent of the student population or for some institutions, like Western Governors, 0 to 1 percent, that is not giving you very good information, and judgments should not be made about the quality of the institution based on that data.

Mr. SCOTT. How do you value the—how do you assess the value of a four year on-campus private liberal arts degree where most of the value in fact doesn't even come from the classroom but from the college experience?

Ms. PETRISKO. We expect every institution to state what its learning outcomes are. Institution learning outcomes, program learning outcomes, and if they provide evidence of the assessment of and the achievement of those outcomes.

So, outcomes can be very large, very broad outcomes. We do expect at the institutions if they state those are outcomes for their students, that they show us how those students meet those outcomes.

Mr. SCOTT. Finally, should we be assessing on a pass/fail basis or a relative basis throughout the spectrum? Because the question that we are addressing is whether you participate in financial aid or not. Should we have a pass/fail or have an assessment that differentiates all the way through the spectrum?

Ms. PETRISKO. There are differentiations across the accreditors: status of accreditation, how long, in our case, a reaffirmation, it could be six, eight, or 10 years, depending on the strength of the institution, whether there is interim reporting, whether there are special visits in between those reaffirmation periods.

But I would say for Federal aid purposes, I wouldn't want to see differentiation there because the students are taking different paths to their degrees, and they should all have access to that support to be able to do so.

Chairwoman FOXX. Thank you, Mr. Scott. Mr. Byrne, you are recognized for 5 minutes.

Mr. BYRNE. Thank you, Madam Chairwoman. This was great. All your testimony was very helpful.

Mr. Miller's testimony hit some points that I think all of us would agree we need to talk about, honestly.

I was a Chancellor for Postsecondary Education for Alabama, and my relationship with our accreditor was, I would call "appropriate," which meant sometimes it was uncomfortable. For those of you who know Dr. Belle Whelan, you know she is very nice about making things uncomfortable, but she needed to make my life uncomfortable from time to time, and that is okay, so I value that about it.

We have had some failures in our accreditation agencies. So, the question for us is do we come in with a more heavy handed Federal approach to get accreditors to do what they need to do, or is there a way for us to turn to the accreditors themselves and say value your independence, which I think is one of your great strengths, but at the same time tell you we have to police ourselves better, because there have been some key instances where we have not done our job right.

I thought I would like throw it out to any one of you that want to jump in on that. I am really looking to the other three, because you sort of laid the critique out there.

I would like for you to respond to that. Do you think the Federal Government playing a heavier hand is going to help, or is there something we can do within ourselves, all of us, to make it work better?

Ms. PETRISKO. I think it's very important that accreditors have the authority to take additional steps where necessary to improve what we do, learning from very close work with the institutions

and the challenges they face, learning what we need to do to strengthen our own systems.

There has already been mention made of the failed institutions recently, and I can tell you one of the big changes in higher education, from which we have all learned recently, has been the tremendous growth in the for-profit sector.

I don't think that's a secret, that public institutions are very strapped, many non-profit institutions are also financially challenged and are very concerned with selectivity. A great deal of growth has been in the for-profit sector.

Just in our Commission, we currently have of our accredited institutions about 13 percent are for-profits. That's 23 now. Six years ago, we had one. If you go to the candidates, it's about 33 percent, if you go to the eligibles, it is about 35 percent, the ones that are just applying, it's about 50 percent that are for-profits.

So, we are very keenly aware of the fact that we need to have better and more inclusive information about what's going on.

So, accordingly, what we have done learning this is we have commissioned work from PRAGO, a firm that's created the ratio analysis in higher education, this is what the credit analysis has done in higher education, pretty much across the country on the basis of seven financial ratios.

We've worked with them to give us a better foundation. We're still in the process of getting this report. Getting a better foundation for how to look not just at institutions but with their parent companies to get the information from them as well, on governance and finances, so that we can see how decisions are being made that are affecting the institution, where the resources are going, and how those are being allocated.

I think this is a good example of the fact that we are stepping up as accreditors when we recognize there are issues that we are not covering.

Mr. BYRNE. That is really not my question. You are doing your job. We know there are instances where it has not been done. I want to find the right balance here, because there is a tension here. Mr. Scott, I think, has done a good job of stating the tension.

How do we address the balance? Dr. Pruitt, do you have a thought about that?

Mr. PRUITT. Well, there are institutions that fail, and they should be held accountable, but the whole system shouldn't be changed. There are accreditors that have failed, and they should be held accountable, but the whole system shouldn't be changed.

Mr. BYRNE. How do we hold them accountable?

Mr. PRUITT. Well, the institutions that have failed have lost accreditation, they've gone out of business.

Mr. BYRNE. I am talking about the accreditors.

Mr. PRUITT. I think if they failed, they should be held accountable, too, and their recognition should be lost as well.

Mr. BYRNE. That would come from the U.S. Department of Education?

Mr. PRUITT. Yes.

Mr. BYRNE. So, I guess the question is, Dr. McComis, this is something I was interested in from you, sometimes it falls most heavily on the sector that you deal with, how do we assess an



accreditor? What is the basis on which we say an accreditor is doing its job or not doing its job?

Mr. McCOMIS. In this regard, there are a whole set of Federal regulations that we go through—

Mr. BYRNE. Yes, but are they good?

Mr. McCOMIS. Largely, I think, they are. Consistency would be one area that I would point to and the application of those. The National Advisory Committee on Institutional Quality and Integrity, NACIQI, they are working toward their own expectations around that, and I think those expectations are changing, and when we get to a point of greater consistency so that accreditors better understand what those expectations are.

There currently exists Federal regulations that say accreditors need to have outcomes around graduation rates or completion rates and licensure rates, things of that nature, and what is the consistent application.

The only thing that I would say with regard to that is your first question about can we rely upon the accreditation system, what is really rich about it, to Dr. Pruitt's point, is you can set benchmark outcome standards, and not everybody is going to meet that standard every single time, but what is the process that the institution is going through.

That's the richness and the qualitative nature of this process that accreditors should be expecting and that the Federal Government should be expecting accreditors to partake with their institutions to move that quality forward.

So, holding accreditors accountable for the way they work with their institutions and establish those outcome standards, I think, is key. Any direction and guidance that the Congress can give to the Department in the establishment of those regulations, to talk about the consistent application across all the creditors, would be useful.

Mr. BYRNE. My time is up. Thank you, Madam Chairwoman. I yield back.

Chairwoman FOXX. Thank you. Ms. Davis, you are recognized for 5 minutes.

Mrs. DAVIS. Thank you. Thank you very much for the panel. I know you all recognize the differences in our educational institutions today. You mentioned more for-profits, other apprenticeship programs, lots of different ways, I think, that we need to really support people when they are going through postsecondary and just everything that is higher ed, everything that is after high school, but how specifically do you think accreditors could be involved in reviewing and accrediting the apprenticeship programs, as one example, that may be different from other accreditations? How do we do that? How do we apply that differently?

I think the other question may be, and perhaps we can learn from programs that are more traditional, how do we listen to the people that are involved in this, peer review at schools is something that is a good thing on many levels, but I know from peer reviewers, a lot of this makes them crazy, and yet they feel they cannot track our students well enough to really be able to evaluate their educational experiences as they go into the work world.

How do we do that? How do we train them? Do you think there is a good way of doing that today?

Mr. MCCOMIS. I'll tackle your first question about apprenticeships and other kinds of programs, because I mentioned this a little bit in my written testimony and briefly in the oral, and that is looking for ways for accreditors and for institutions to have competency-based systems supported through the Federal financial aid system as opposed to seat-time measures or requirements.

So, while there's some allowances there, I think that in some ways, the requirements that currently exist can serve as those barriers to innovation.

My agency is very much interested in working with institutions that work more closely with the employment community, that work more closely in apprenticeship programs, and the question that arises is how does that fit into an overall educational program that can be supported for students with their Title IV student financial aid dollars. And so, where I think there's some tension that exists there in trying to create programs that really can support students' success.

So, I would encourage the committee to think about ways that those programs can be thought about in a bit of a broader way.

Mrs. DAVIS. Mr. Miller, do you have any thoughts about that?

Mr. MILLER. I want to touch on the student part of it and sort of the student feedback. I think there are a couple of challenges here. One is as we talk about students are increasingly older, going part-time, they're not on campuses much.

So, if you go and conduct your visit during working hours, you may not be able to find all the students you have. They're busy; if you sort of say come to this room at this time and talk to us, you're not going to catch everyone you need to catch.

Part of it is we need student feedback, not just sort of in the moment for people who are enrolled somewhere. We should be talking to people long after they've left, and seeing, you know, did this result in what you thought it would?

People in the moment don't necessarily know until they leave. We have seen this with a lot of the troubled schools. They thought they were getting a good education in the moment. They left, tried to find a job, found out it totally didn't work.

The other thing I would just say really quick here is this is why we have the experimental sites flexibility within the Higher Education Act to allow Federal aid to test out sort of new types of approaches.

There is one right now that says maybe we don't need to have programs be 15 weeks in length to get Federal aid, because there may be quick training programs that are valuable.

Unfortunately, the current Administration is terminating them on June 30 without much warning or any information about what they've learned or anything like that.

Mrs. DAVIS. Thank you for that. Please, go ahead. I had another question to ask you as well.

Ms. PETRISKO. First, I hope everybody realizes that as far as the regional accreditors are concerned, we are limited in the types of institutions that we accredit, so degree granting institutions within a certain geographic scope.

So, providers that are not degree granting providers, and we do recognize the world of education is bigger than degrees, it certainly is, but if they're not degree granting providers, they do not fall within the scope of what we can do.

Could accreditors do more with different types of programs with expanded scopes? I believe so because the basic principles are what are you promising, what are you delivering, how sustainable is this operation?

Mrs. DAVIS. Could I turn really quickly to trade schools, and I know my time is almost up, because I think there is a concern and certainly maybe it is a misperception, that when you strengthen accreditation standards that you harm good actors in these fields. You put additional burdens on them to show, you know, that they are following through with their promises.

Do you think that is a problem? Dr. Pruitt?

Mr. PRUITT. Yes, that's a problem.

Mrs. DAVIS. How do we fix it? I think my time is up. Thank you.

Chairwoman FOXX. Thank you very much. I think you touched on a subject we need to talk a little bit more about. Mr. Guthrie, you are recognized for 5 minutes.

Mr. GUTHRIE. Thank you, Madam Chair. Dr. Petrisko, I am pleased to hear that regional accreditors have launched a nationwide effort to place increased emphasis on graduation rates as part of their ongoing reviews of colleges and universities.

If you may, please provide the committee more information about how the graduation rate information will be used as part of the review process, and why did the regional accreditors decide to undertake this effort, and what successes have you seen so far?

Ms. PETRISKO. Okay. So, the last part first, why it was decided to do this, because there are seven different regional accreditors and we do things in our own ways, a lot of alignment, a lot of similarities and overlap, but we do things with definitions and things in our own ways, it became clear that without a national statement and a national initiative, that there would still be a lot of misunderstanding or lack of understanding of what we're doing, and that we take graduation rates seriously.

So, we spent a long time thinking about how to set those rates, and as I said, the rates were set at about half the national average, and again, they are IPEDS rates, so they are not reflective of the full student population, but it was decided that going with those numbers of half the national average was a good starting point as a trigger to say let's go further now and see with the institutions that we accredit, which ones fall in that band, and let's go further and see are those data accurate. If they're not accurate, why aren't they accurate, let's get them accurate.

If they are accurate, let's take a look across institutions of similar types and see how well are institutions doing, which institutions are doing better that we could learn from, and when institutions are not doing as well as they should be doing, what actions are the appropriate actions to take, not just to get more information, although more information is always good, but what are the appropriate actions to take to require institutions to do better.

There's a lot that has been learned about high impact practices, for example, to assist students in completing and doing better in

their work, so not just to encourage but to expect institutions to build on the rates once we have the accurate information, to make sure they are as strong as possible.

Mr. GUTHRIE. Thank you. I want to move to another question. Dr. Pruitt, good to see you again. In your testimony, you highlight the importance of peer review as an affirmation of quality.

Please discuss why you believe peer review is a crucial aspect of the quality assurance process even among every different types of institutions, and are there ways the peer review process can be improved?

Mr. PRUITT. Because all professions look to be calibrated against the standards set by their profession, and the only way you can get those standards developed are by other people that are in your profession.

So, if you're a surgeon, you want the College of Surgeons to set the standards and evaluate you on your proficiencies. That's pretty much true of every profession.

So, we look to our colleagues from other institutions to come in and one, set the standards and the process. Standards are set by using the institutions that are members of the association. The application of those standards are done by peer reviewers from other institutions that understand the particular mission and purpose of that particular institution so there's no misapplication of the standards.

At the end of the day, accreditation was formed way before it was a gatekeeper function, because colleges want the approval of others in their profession as a process for continuous improvement, so the peer review process is essential as opposed to the review of some external third party coming in to do a compliance measure to see how many wastebaskets you have or how many seats you have or how many library books or test tubes you have.

So, at the core, the strength of the system is self-study and introspection, where you are testing yourself against commonly identified standards, so that you're not self-delusional, and then external review to keep you honest against standards that both the reviewers and the reviewee have bought into as appropriate measures of quality.

Mr. GUTHRIE. Thank you. Dr. McComis, because your organization accredits many vocational-focused schools and programs, you understand maybe better than some others do the role of education in preparing students for jobs.

Please talk about how the ACCSC maintains a focus on student outcomes and how other accreditors can learn from your expertise, and what work are you doing to ensure that graduates from the institutions your agency accredits are properly prepared to enter the workforce with skills needed.

Mr. MCCOMIS. Thank you. So, as I said earlier, we almost view it as a luxury that we work with such mission-centric institutions that are really focused on employment outcomes.

For two decades, we've had quantitative standards around graduation rates, employment rates, and most recently we've added a quantitative measure for licensure rates as well.

We've been able to collect that data.

We've been able to use it again as a benchmark, not as a floor but as a benchmark to say anything that falls below this, we're going to begin to really ask questions around the quality of the institution and how you're really meeting that mission, and how you're really fulfilling expectations for graduates.

The use of that information is then coupled with competency assessments so that we can and the institution can have some relative assurance that graduates that go out into the employment community are actually able to perform the tasks that they set out to do.

So, adding those two elements together, student learning and competency assessment piece, so at that institution it's a process they have to engage in, with the quantitative measures and the opportunity for institutions to then provide qualitative responses to their own performance, we find to really be the indication of what sets an accreditable institution apart from one that's not able to meet that benchmark.

Mr. GUTHRIE. Thank you. My time is up.

Chairwoman FOXX. Thank you. Mr. Courtney, you are recognized.

Mr. COURTNEY. Thank you, Madam Chairman, and thank you for holding this hearing. It is another example of why we need to do a Higher Education Reauthorization Act, because what we are hearing, I think, from all the witnesses is just how much change has happened since 2008, which is the last time Congress re-upped the law.

Mr. Miller, I wanted to spend a minute just in terms of some of your testimony and writings in terms of alternative accreditation to try to deal with non-traditional sort of programs that are out there.

This is kind of near and dear to Eastern Connecticut. We have a National Theater Institute, which is also known as The Eugene O'Neill Theater, it has been around for 50 years, it is non-profit.

If you went there, it looks like a campus. There are dormitories, there are rehearsal halls, classrooms, et cetera, but it does not have tenured faculty because it is actors, writers, directors, and the term sometimes is just a semester stint that some of the students attend while they are there.

However, its graduates, people who have come through there include Meryl Streep, Michael Douglas, Lin-Manuel Miranda did his first play, *In the Heights*, while he was at Eugene O'Neill Theater, John Krasinski, Jim, in *The Office*, that you may recall, Jennifer Garner.

Again, its batting average is just outstanding, but it cannot get accredited. It cannot extend opportunity through Title IV to a lot of kids who could really turn into tomorrow's Broadway stars or movie stars.

How does your sort of ideas maybe connect with programs like that?

Mr. MILLER. Yes, I think that's a perfect example of the type of thing that we think would be a good fit for an alternative system, basically saying, you know, this is something that is shorter term, it doesn't necessarily end in something that we recognize as much

as being a clear-cut degree or certificate, but there's clearly value in it.

What we would basically say is if you can show there's value there, if you can show that the people who enroll are able to complete whatever you're offering and they do okay on the back end in terms of we're not sort of leading them into financial risk and ruin, why should we care as much about all these other things we look at right now.

Part of the reason we look at all those things right now is because we're not as confident about those outcomes on the back end, so we use sort of up front input checks to deal with that problem.

What we're saying basically let's just look on the back end and see what happens. Obviously, yes, there are a range of outcomes that are useful to higher education beyond just did you pay your loans or things like that.

We're only concerned about is this a good financial bet for the government. Should we invest in this, do we think it promotes opportunity, and when you think about it that way, you can sort of set aside some of the more complex things that get used right now in the current system as sort of proxies for other things.

Mr. COURTNEY. Go ahead, Dr. Pruitt.

Mr. PRUITT. Congressman, this is a wonderful opportunity to point out a rule that just drives me nuts; it's the credit hour rule.

The credit hour rule says that accreditors are required to ask colleges and universities to first of all, award credits in credits, and then to define "credits" by the number of hours spent in a seat.

Now, please tell me how an accreditor could apply that rule to the institution that you just described. It just would be impossible.

So, there needs to be flexibility and communities that come and allow institutions like that to prosper and succeed, but it can't happen unless the regulatory context that accreditors have to function in allow it to make it happen.

Mr. MILLER. May I mention the credit hour? I think one thing that is important to realize here is part of the reason why we needed this rule was we had colleges out there that were inflating credit hours to get more financial aid, so we had schools claiming they were offering courses worth nine credits that did not have the amount of learning behind that.

When you do that, students pull down more financial aid than they should, so they're going to exhaust their lifetime eligibility sooner, and we're going to pay money out to schools faster than we should.

So, there is credit hours from the sense of measuring how much learning and things like that, and then there's credit hours in the sense that we want to make sure that schools aren't essentially taking in more money than they should, making it harder for students to get enough money to finish their whole program.

Mr. COURTNEY. Thank you. Again, I think as we hopefully get closer to putting pen to paper in terms of a proposed bill, we would encourage you to continue to share with us your ideas about ways you can actually sort of structure it so that there are safeguards, but on the other hand, we are not denying kids who could be the next author of Hamilton the opportunity to learn and succeed. With that, I yield back.

Chairwoman FOXX. Thank you, Mr. Courtney. Mr. Lewis, you are recognized for 5 minutes.

Mr. LEWIS. I thank the chair and thank the panel for coming today. A couple of questions. Let's start with a follow up to Dr. Pruitt on innovation.

Right now, the accreditation process is compromised, and I do not want to use the term "status quo," but employees or members of the traditional system of higher education that we have used for so long and so successfully.

How do we get independence or maintain independence of accreditors without Federal Government micromanaging, and at the same time, open up the system to these new delivery methods we are talking about, for instance, competency-based education as opposed to just seat-time?

So, on the one hand, we have a system of current traditional education, and on the other hand, we do not want any Federal intervention, but we want independence, too. How do we get there?

Mr. PRUITT. You get there by focusing on the student learning outcomes, because these are all processes getting to a commonly agreed upon destination.

The issue needs to be not how you get there or how the learning takes place or what form does the learning take place in, but does the learning take place, and can you certify it through some valid and reliable assessment process at the end so that you know the standard gets met.

The regionals have opened up on that. It used to be that was a problem. If I had been here 10/15 years ago, which I think I probably was, I would be complaining about a rigidity from the accrediting community that stifles innovation.

That has pretty much changed in the regional area. The problem we have now is not so much with our regional accreditors, but with the regulations that are coming from the Federal Government.

Mr. LEWIS. Can you give me an example, for instance, on the massive open online courses, the MOOC classes, and accreditation? Is there an issue there? Is there resistance there?

Mr. PRUITT. Well, no, not from the accreditors. Students that go through those experiences can come to Thomas Edison, and if they're willing to go through an assessment process to say I went through a MOOC and I was stimulated, I learned all this stuff, and I want credit for that, they can come to Thomas Edison, and there's an assessment process you can go through, and if you can verify that you in fact achieved competencies that you would have achieved had you taken the course, you can get credit for that.

We work with StraighterLine and a whole lot of other non-traditional providers where students that acquire competencies through the non-traditional providers can come, and if they're willing to subject themselves to a valid and reliable assessment process, demonstrate that the learning was acquired, they can get credit for that.

The key is the assessment of the learning outcome at the back end and not the process of how you get there.

Mr. LEWIS. Very good. I want to shift gears a little bit, Dr. Petrisko, and ask you a question that may be off the beaten path a little bit.

The Higher Education Act requires accreditors to consistently apply and enforce standards that respect the stated mission of the institution.

Much of this hearing and much of our work here focuses on the rigors of curriculum and making certain there is academic competence and all that.

A crucial part of a classic liberal education is preparing citizenship or preparing good citizens. I have to say I am very concerned with what I see lately and what appears to be a very highly charged political environment on our Nation's campuses that I think is turning into a bit of a threat to free speech and academic freedom.

Again, may be off the beaten path, but is that part of the accreditation process, to ensure that we have open and free dialogue?

Ms. PETRISKO. If you look at our standards for what we expect for an undergraduate education and for graduate education as well, there are certain things that are stated within those standards.

In our case, five core competencies, including one which is critical thinking, which I think would certainly relate to what you're talking about.

We have asked institutions and expect institutions to give us evidence of the fact that their graduates actually have achieved these core competencies, which are going to look different across institutions.

What Cal Tech is going to do with regard to quantitative reasoning is going to be quite different than what a seminary would do, for example, the broad diversity of institutions we have.

Participation in society and citizenship is something that we do expect from our institutions, that students get a broad education and part of that is being part of society and a peaceful society, and a society where they can have interaction.

So, I do find it disturbing that there have been a number of cases recently where there have been issues of what's been perceived as restriction of free speech on campuses, and I understand from the campuses' perspective that there was safety and security concerns, which they balance.

From an accreditation perspective, I think that's what we expect our institutions to do, to recognize what they exist to do and to do that in a way while maintaining a campus or an institution where people are safe and secure, so how to balance those. We do expect that from our institutions.

Mr. LEWIS. Thank you. My time has expired. I yield back.

Chairwoman FOXX. Thank you, Mr. Lewis. Mr. Polis, you are recognized.

Mr. POLIS. Thank you, Chairwoman Foxx, and thank you to Ranking Member Scott for this great hearing. Accreditation is an issue that frankly receives too little attention for its importance in higher education, and we really need to make sure that we have an accreditation system that allows for the kind of innovations to create an effective 21st century higher education system.

Mr. Miller, as you know, competency-based education allows for innovation in higher education, and credits can be awarded based on competency. It allows for more efficient and better forms of ped-



agogy that are not tied to seat-time requirements, allowing students to move faster or slower through their degree.

I was pleased that in 2015, C-RAC recognized the uniqueness of competency-based education and announced a framework for approving competency programs.

Can you share why it is important for accreditors to consider the distinct qualities of different types of education, specifically about CBE, what are some areas where accreditors should take a closer look?

Mr. MILLER. Sure. I think competency-based education is one of the most exciting things that's happening in higher education today because it's moving beyond the sense of did you just stay there long enough to eventually get a degree versus can you actually show that you learned things and that we're confident you got the knowledge you need to succeed?

So, I think it's still obviously developing, and it's slow going because, obviously, every time there is new sort of charted areas, we're looking at that.

I think probably the next space to look at is to think a little bit more about flexibility on what constitutes a program. So, right now, we're seeing students who maybe are acquiring knowledge from multiple different areas and how can we sort of cobble that together into something that represents a program.

I don't think we should get down to the level of like accrediting individual courses. I think in general the return from any given course is probably not great enough to merit that. We should think about when you've got things coming from multiple areas—

Mr. POLIS. Does that not also allow for kind of new combinations of courses, even changing the definition of a "course" in terms of ways of getting to a particular outcome?

Mr. MILLER. Correct. The thing you have to do to make sure this all works though, is you have to keep a laser like focus on outcomes on the back end.

Mr. POLIS. Thank you. I wanted to go to Dr. Petrisko quickly. As a member of C-RAC, and can you share a little bit about your perspective on the guidance you are working on for competency-based education?

Ms. PETRISKO. I'd love to talk about competency-based education. It is one of the areas where accreditors really are partnered with institutions to support the innovation that they have seen as important in reducing time to degree and allowing for flexibility and affordability.

This is one of the areas where I hope there will be attention paid in the Higher Education Reauthorization Act. A number of accreditors, including us, have been sort of caught, as have the institutions, in supporting this innovation and at the same time, when we had an Office of the Inspector General coming to audit how we do this, being caught with the regular and substantive faculty initiated interaction.

These programs work differently. We as accreditors make sure that all the things that have to be taken care of to ensure the quality and protect the students are done. They are going to be done in different ways for different programs.

But, the Office of the Inspector General looked at this and said well, these programs don't have the same kind of regular and substantive interaction that its faculty initiated, so there was some back and forth on that. That's just not helpful.

Mr. POLIS. So, what we can get with competency-based is we care about the outcome, regardless of if you find a way to do it with different interactions with faculty, we care about what the actual outcome is rather than the inputs.

Ms. PETRISKO. Exactly.

Mr. POLIS. Back to Ben Miller, I wanted to address another innovation in higher education, coding boot camps and boot camps in other fields that relate to job related certifications.

In Colorado, there are a number of boot camps like Turing School and Galvanize. They have great track records of placing students into great jobs, after completing their program, which are usually a few months of intensive work.

Unfortunately, these programs are not accredited, not eligible for Federal aid. That means the students either have to take out higher cost private loans or the programs are limited to students who can pay for them themselves.

I am very supportive of allowing programs to be eligible for Federal aid so they can serve more at-risk students, but only if these programs have a track record of success, and the transparency and accountability that comes along with it.

Can you share your ideas on supporting innovative models like Turing and Galvanize, and making sure actors do not take advantage of flexibility, and at the same time, we give our more at-risk population a chance to attend these types of academies?

Mr. MILLER. Again, this is something that really hits on part of why we felt the need for an alternative system that is really outcomes-focused would be helpful.

A couple of things on that. One is obviously is you keep track of outcomes, then you can have greater confidence that it's okay to sort of lend there, to ease them in. We think it's important that these new providers have some degree of financial commitment up front, so that we have some sense that maybe a boot camp that is only a year old actually has the financial capability to sustain itself, so that we don't run into a situation where we open up the aid programs, lend to people, and then being shut down overnight.

I think the other thing is this really speaks to we need to think more intelligently about how we ease people into the system, because right now it is basically like we approve you, and then you're eligible for everything right away, and you can get as much money as you can get students.

We should probably think about easing people in, letting them try it with a few students, a little bit more sustainable growth, that acknowledges maybe you shouldn't go from 100 to 1,000 people overnight, and things like that.

Mr. POLIS. Thank you. I yield back the balance of my time.

Chairwoman FOXX. Thank you very much. Mr. Smucker, you are recognized for 5 minutes.

Dr. SMUCKER. Thank you, Madam Chair. Dr. Pruitt, I would like to learn a little more about the peer review process. I just recently met with the presidents of several local private colleges, and I am

in Pennsylvania, and with the association that represents many of the private colleges. They have both been part of the peer review process, in evaluating other colleges, and have participated in their own organizations.

By the way, they spoke very highly of the Middle States process. With your expertise, your experience working as an accreditor, and your experience in higher ed as well, how have your views on the peer review process changed or been shaped by working on both sides?

Mr. PRUITT. Well, first, peer review is more than just peer review. It's peer review. Peer review has to be honed so that the peers that are evaluating you are peers from comparable institutions that really understand your institution.

It is true that sometimes—I'm fairly aggressive about talking about mission differentiation, being evaluated by peers that share your same mission, sometimes institutions can hide behind that, so how do you have people that are evaluating you that can call on your own stuff if you're not being really candid and are hiding behind a broader definition of your mission.

So, you have to have peers that come in, that are not only from other institutions, but other institutions that understand your kind of institution, so they know when to probe, when to test. They know what kind of data to look for, that if one set of metrics isn't the right set of metrics, what is the right set of metrics.

The peer process starts with the developing of the standards, the development of the processes, and the implementation, and then to the teams that evaluate it, and then after the team does a report, that report goes back to the accrediting body and gets reviewed again by a different set of peers to keep some distance and objectivity.

The other thing you'll find, and I know it from Middle States, and I believe it's true of the other regionals, the institutions that are in it overwhelmingly support it. There is anecdotal evidence about people that are ticked off about this or that process, and it's always going to be the case, but when you look at an objective evaluation of the data, and we evaluate everything, including how our institutions are satisfied with the process, it's overwhelmingly supported by our members.

So, it works very well. It really does.

Mr. SMUCKER. Thank you. You also made the comment and I appreciate it, that compliance is not the substitute for quality. You mentioned there may be compliance things that accreditors can look at now required by either the law or regulation that Congress could potentially remove in the reauthorization of the Higher Education Act. I would like you to expand on that.

Mr. PRUITT. In my testimony, there are three that I suggested need to go away. The first was credit hour, for reasons I've already spoken to. The second is State authorization.

There was earlier discussion about the triad. The triad does need to be strengthened, and it is reasonable that States should exercise licensure authority over the colleges and universities that operate in their States, and there are a number of States, unfortunately, that have no licensure and no oversight, and that should be changed.

The current definition of “State authorization” extends that to online courses and even literature. That’s just absurd. It destroys the use of technology that shortens time to completion, and kills innovation.

The third one is the score card, and I’d love to talk about that, where the Federal Government has come up with a template to try to evaluate colleges and universities, and the results are bizarre.

So, those are three things that I’d like to see go away right away.

Mr. SMUCKER. Thank you.

Chairwoman FOXX. Thank you, Mr. Smucker. Ms. Bonamici, you are next.

Ms. BONAMICI. Thank you very much, Chairwoman Foxx and Ranking Member Scott. This is an excellent discussion we are having this morning.

I know like many of my colleagues I am concerned about institutional quality, and we have heard so much about places like Corinthian and ITT Tech that provide these recent examples of financially unsound institutions that were allowed to operate as accredited schools for way too long.

I know the policy group, Third Way, just noted in a report issued this year that more than 130 accredited colleges and universities graduate fewer than 10 percent of new full-time students.

I appreciate the good work that accreditors are doing, but there is no doubt that we should look for opportunities to work together so the accreditation process is really helping to make sure that students and families who invest in higher education are not taking unnecessary risks with their future.

I think Mr. Polis left, but I wanted to follow up briefly on his comment about the coding boot camps. I know that many of them have now joined a coalition and developed a framework called the Council on Integrity and Results Reporting, to just try to get some consistency out there with what they are doing. That is a conversation we need to have with alternatives like that.

Mr. Miller, I wanted to ask you, the Department’s guidance from November 2016 encouraged accreditors to provide more information about the actions they take, and some of the information is made available on the Department’s database of accredited institutions.

So, what could the Department do to further this effort, and is the database useful for consumers?

Mr. MILLER. So, this is a really important first step, but it still has a ways to go. We actually try to look at accreditor actions, and before this comprehensive reporting was required, it was a total mishmash. You could look in some places and you could see things for a year, you look at others, they would have it for five years. The reasons why actions were taken were sometimes very clear, sometimes they weren’t clear at all.

So, getting the information is a crucial starting point. Unfortunately, the database now is not exactly the most user friendly, and I think expecting a student to actually find it is unlikely. You have to download a spreadsheet, and then click through to a link that’s contained in the spreadsheet, so nobody is going to get it there.

I think the starting point is the Department needs to make sure it’s starting to use that information, too. A big part of that is the Obama Administration created an enforcement unit that was sup-

posed to be able to conduct more investigations and feed in information from third parties about problems, and there are real concerns now about whether or not that enforcement unit will be continued in the current Administration, and whether or not it will truly be effective.

Ms. BONAMICI. I want to follow up. I know that in April 2016, there was a letter to federally recognized accrediting agencies sent by then Under Secretary Ted Mitchell, outlining the power that accreditors have to differentiate in their reviews of institutions under current law.

Do you know what steps if any you are aware of that accreditors have taken in response to that letter?

Mr. MILLER. I know there are many accreditors that are considering different differentiated processes. WASC is in the middle of working on one. I believe the Higher Learning Commission has one as well. I think that's a really important first step.

It would be nice to see it go further because I think we should be discussing whether or not there should be differentiated levels of approval for Federal financial aid. Right now, it's so all or nothing that it makes it hard to ease people in, and also ease them out, and we should recognize that a loan is riskier for a student than a grant.

I think it's still a little early to tell because we haven't seen exactly how these play out yet, and the process for accreditation is such a long cycle that it's hard to know, you know, if you do something over 10 years, we won't know right away.

Ms. BONAMICI. And did you want to respond to that, Dr. Petrisko?

Ms. PETRISKO. Well, just to note that indeed I anticipate that at the next Commission meeting we will approve a process that will allow for institutions that have very strong histories of clear financial sustainability, good learning outcomes, graduate rates, et cetera, that they would have a reduced burden as far as visit and as far as reporting is concerned.

Ms. BONAMICI. Thank you. Mr. Miller, in 2014, the GAO report found that the Department of Education does not consistently use accreditor sanction information for oversight. After that, the Department agreed to develop better internal information sharing systems to enable its analysts to use the information about sanctions from accreditors to inform the Department's oversight.

Do you know if this change has been effective, and what more can the Department be doing to align oversight and enforcement responsibilities?

Mr. MILLER. So, there hasn't been a ton of public information to judge the effectiveness of this. We do know that last fall one of the reasons why the Department decided to take action against ITT Technical Institute was because of some concerns that came from the accreditor.

It is possible that some of the actions against Corinthian may have started with accreditors raising concerns about the accuracy of job placement rates, but the Department has not been completely transparent on it, and again, if the Department does not have the people in place who are really taking a critical eye to look-

ing at the information coming in from accreditors, it will be for naught.

Ms. BONAMICI. Thank you. As I yield back, I want to recognize Madison, who is here today shadowing me with Girls, Inc. She is a junior in high school, and I hope she found this conversation helpful. Thank you, Madam Chair.

Chairwoman FOXX. Thank you, Ms. Bonamici, and Madison, we are very glad to have you with us today. Mr. Walberg, you are recognized for 5 minutes.

Mr. WALBERG. Thank you, Madam Chair. Thank you to the panel. I think it has been a very helpful panel today.

Before I ask my questions, Dr. Pruitt, thank you for helping us to understand very clearly that unless we ask the right question, we will not get the right answer. Thank you for the part you play in really stimulating us to think in new directions, think what works in the present world, not what worked well in the past, that is fine, and because of what you and others are doing, I think both Princeton, University of Michigan, in my case, Michigan State, will be better and will not rest on laurels because of the competition of new ideas that entities like your own bring about, so thank you.

Dr. Petrisko, past actions by regional accreditors have raised concern that some agencies may be acting inconsistently with the HEA's requirement that accreditors, and I quote, "Consistently apply and enforce standards that respect the stated mission of the institution of higher education, including religious missions."

I am of the opinion that there may not be a war on, but certainly a battle taking place in society today against some traditional missions, religious values, First Amendment liberties, that are not good in continuing freedom in this country.

Certainly, in academia, there ought to be a high priority in saying while we may not agree with you, your mission statement is extremely important for what you are providing for your students.

Can you discuss how your agency makes accreditation decisions in light of institutional missions, and particularly religious missions?

Ms. PETRISKO. I think it is probably going to be surprising to some that about 40 percent of our institutions are actually faith-based institutions in the WASC region.

Mr. WALBERG. A lot of them are feeling put upon. I mean across the Nation.

Ms. PETRISKO. Yes, I understand. We absolutely do respect mission, and we understand when institutions make decisions and set goals and set their curricular objectives, et cetera, in line with their mission, that is to be respected.

There have been cases where there have been internal struggles at institutions amongst faculty about evolution, for example, and how to deal with that, what should be taught, what may be taught, what may not be taught.

We have watched those things closely, but ultimately it is our position that the institutions must allow for that sort of discussion with integrity and honesty while supporting its mission, so not to forbid the conversation but to put forward the tenets of the faith as they see that, but allow that to be discussed.

Mr. WALBERG. Or to change the mission.

Ms. PETRISKO. Pardon?

Mr. WALBERG. Or to change the mission also, is that your position, you are not there to change the mission of that particular institution.

Ms. PETRISKO. We are not there to change a mission, absolutely not. Sometimes institutions themselves on who they want to serve and how they want to serve them will amend their own missions, but that's not our job.

Mr. WALBERG. Thank you. Dr. McComis, how does your agency determine and set standards for your institutions and what they are required to meet, and secondly, how do you and other accreditors update your standards to ensure progress?

Mr. McCOMIS. Well, again, that is all done within the peer review foundation and establishment for the agency. So, it's really looking at what are the best practices in a particular area, and then utilizing those in such a way that they promote quality, that they promote an opportunity to assess how well an institution meets those standards, and then going back and evaluating ourselves for whether or not those standards actually do what they intended.

So, again, it's a process whereby experts/peers come together, say these are the practices we want to hold ourselves and our fellow institutions to, and then creating a process by which assessment can be done for an institution's adherence to and promotion of those best practices.

Mr. WALBERG. Thank you. I yield back.

Chairwoman FOXX. Thank you, Mr. Walberg. Mr. Takano, you are recognized for 5 minutes.

Mr. TAKANO. Thank you, Madam Chair. As has already been mentioned, last year, the National Advisory Council for Institutional Quality and Integrity recommended that the Department of Education withdraw its recognition of the Accrediting Council for Independent Colleges and Schools, otherwise known as ACICS, which the Department did last year.

ACICS accredited over 200 for-profit institutions with over 800 locations, including several very large online for-profit networks, notably ITT Technical Institute, which shut down in September 2016. They also accredited Corinthian Colleges before the school shut down two years ago today.

The abrupt closures of ITT Technical Institute and Corinthian Colleges left thousands of students burdened by loans for degrees they did not complete. This especially impacted student veterans who lost their post-9/11 G.I. Bill benefits, because they were unable to complete their courses or gain transfer credits.

I do not believe accreditors should be—I do believe accreditors should be in the business of protecting students, and ACICS in this case clearly was not protecting the students.

My question first is for Mr. Miller, and anyone else who would like to chime in. Mr. Miller, the Obama Administration took steps to strengthen accreditation standards, but what more could be done to ensure that bad actors in the for-profit industry are held accountable?

Mr. MILLER. So, within accreditation, part of it really needs to be looking more at the outcomes of accreditors and the quality of

their standards when they come before review. Unfortunately, the current process of reviewing standards tends to mostly be around do you have something that credibly fills a requirement in law, not is that requirement any good.

For example, one of the things we saw with ACICS was it was able to persist with weaker outcomes measures than other national accreditors because it had something that filled the box that just said there's an outcomes measure there.

The second thing is we need to make sure the rules that are in place right now are enforced, so we need to ensure that if a school has—I'm sorry, a vocational program has too high debt relative to the earnings of its graduates, that it is held accountable for that, because we need to make sure they are sort of moved out of there.

The other big thing is we don't pay enough attention to the possibility of failure and what might happen there, so one is the Department of Education is not nearly aggressive enough in demanding financial commitments from large schools that might go under. As a result, when schools close, taxpayers have to foot the bill and students are out of luck.

And, the second thing is the teach-out plan provisions are not strongly enough verified, essentially. When you have these large operators, you need to make sure that the plan for what happens if it closes is actually a real plan and not a piece of paper, so when you've got a place like Corinthian that shuts down overnight, if you just have a plan and no one has actually tested to see if the school that supposedly will take students actually will, then you are putting yourself at a real risk that you might be caught unaware and have serious trouble.

Mr. TAKANO. Well, the Obama Administration also finally issued the gainful employment rule. In your estimation, does this rule help accreditors ensure that institutions are best serving students?

Mr. MILLER. I think it absolutely does. First of all, it puts out there numbers that we never saw before about the actual earnings of graduates, which is a very important outcomes measure that we didn't have before.

I think it could go further. The biggest risk is it doesn't look enough at how many students are actually finishing, so it's only focused on graduates, so essentially if a program enrolls 1,000 people, 10 make it through, it may look okay on gainful employment even though there are a host of other problems that aren't captured there.

It should be providing a wealth of additional information for accreditors and giving them cover because something else is going to step in and remove a problematic actor so they might not have to.

Mr. TAKANO. Dr. Petrisko, you look like you want to say something.

Ms. PETRISKO. I did want to say something about Corinthian and ITT, just to remind everyone that accreditors do not accredit the parent company of these institutions. We accredit the institutions.

We learned from the past failures that we must have the information from the parent that is going to affect those institutions.



What was also the case with regard to Corinthian was the Department of Education had information that we did not have as accreditors, so there's an issue about who has what information at the State level, the Federal level, and the accreditors, how is that information shared appropriately, may it be shared, what can be shared, so that any of the players in that triad have a good foundation for the actions that they take.

Mr. TAKANO. I do not have enough time to get an answer, but I do want to put the question out there and maybe take it for the record.

I am interested in the programmatic accreditors and what I see as possible inflation or credential inflation. I am thinking of community colleges who used to be able to offer physician assistance programs, those programs are now requiring Master's level work, and also the movement towards the bachelor's of nursing degree.

I realize there is interplay with industry here, but I want to be able to get reactions from some of you about whether or not you believe there is inflation of credentials.

I yield back. I am sorry for going over my time, Madam Chair.

Chairwoman FOXX. Thank you, Mr. Takano. Dr. Roe, you are recognized.

Mr. ROE. Thank you. Thank you all for being here, and thank you, Madam Chairwoman and Ranking Member Scott.

Obviously, the idea in Tennessee, we are very committed to education and training our people, community college is free in our State to residents there, and we have a Drive to 55, where you can go to either a Tennessee college or applied technology and get a certificate or a degree, and we found that in those particular schools, 90 percent secure a job upon graduation in their field, whether it is nursing assistant or phlebotomist, whatever it may be.

I was 18 years old when I started college. I did not have a clue what I was going to do. Vietnam war focused that pretty quickly for me. I decided I was going to do something in college.

Dr. Pruitt, your students are different, and there are people I see every day in my community who have lost their jobs or whatever and are going back while they are working to try to get some skills so they can take care of their families.

I applaud you for what you are doing at your university. I think it is incredibly valuable.

I guess for the accreditation part, once I figured out what I was going to do, could my college get me into medical school. That is what I was interested in. If I could pass the courses, could I then pass exams. I had a plan. It could. I did not know whether it had an accreditation or not, but it provided those assets and benefits for me as a student because I had an idea about what I wanted to do.

I think in doing the accreditation, I watch it in medicine today, how you measure success, how is that done, and then how do you define it. I think defining it could be graduation rates, it can be certificates, it can be a lot of things. I think that definition needs to be broadened, and certainly, how do you simplify the reporting.

I will give you an example, a 2015 Vanderbilt report on the cost of regulations in higher education estimated that the accreditation

costs of compliance was \$3.4 billion a year for regional accreditation.

Does that actually bring value to me because I know who is paying for it, the students. I have written a lot of checks to colleges for my kids to go to school.

It is not nearly as affordable as it used to be, so does it really bring value. I want to stop and just ask these three questions quickly, and I will let you take the rest of the time.

What are the regulations that are preventing accreditors from focusing on student outcomes? Number one.

Number two, are there duplicative data collection requirements the Education Department makes on accreditors and schools?

Number three, how can innovation in accrediting be encouraged?

Those three, any of you can take off on any of them. I will pick on you, Dr. Pruitt.

Mr. PRUITT. Well, there's a long answer to that. There are a lot of things that need to be changed. I think how you define "success" is relative, and that's also very important. I certainly think if you go to a school, either a professional school or a graduate school or proprietary school that is preparing you for a profession, you ought to expect that if you meet the requirements of the institution, that you ought to be able to pass the licensure exams to participate in the profession.

If you go to medical school, they have like a 98 percent pass rate. If you go to medical school and graduate from medical school, you're not worried about whether you're going to pass the exam to participate in your profession.

Mr. ROE. Actually, yes, I was worried, but I did pass it.

Mr. PRUITT. I'm going to take a risk because my data is about nine years old, but when I was on NICIQI, I had a real problem with the bar association because law schools are very selective and very expensive, but the national pass rate from accredited institutions, law school, was around 70 percent. In some cases, it was lower than that. John Kennedy graduated from Harvard and couldn't pass the bar exam. There is something wrong with that.

If you're going to a school to be a nurse or a teacher, you ought to be able to pass your licensure exam. Your ability to participate in the profession that you're going into ought to be a factor in accreditation in terms of being able to value the accreditation that you get.

The regulatory environment takes good ideas. The rules that I'm complaining about, in their concept, they make sense. I think gainful employment in its concept makes sense, but the way it got operationalized doesn't make sense.

If you look at the list of bad actors under gainful employment, Harvard is on that list. So, the challenges, how you take something conceptually sound, the rules that we have to execute make no sense.

There needs to be a reengagement between the regulators and the community, and we used to have that. We lost that. That reengagement needs to happen again so we can take the good ideas, work through the consequences and operationalize in a way that satisfies the public interest and also meets the needs of the professions.

Mr. ROE. Thank you. I yield back. Thank you very much.

Chairwoman FOXX. Perhaps the witnesses would be willing to give Dr. Roe answers to his questions in writing. That would certainly be very helpful.

Ms. Adams, you are recognized.

Ms. ADAMS. Thank you, Madam Chair. Thank you, Ranking Member Scott. Thank you to all the witnesses for being here. Dr. Pruitt, good to see you again.

Mr. Miller, how was the Department's decision to publish accreditor's standards for evaluating student outcomes improve the accreditation system, and could this be constituted as an overreach?

Mr. MILLER. I don't think it is. I mean basically what the Department of Education did was went on the websites of all accreditors that already make their standards public and essentially put them all in one place. I think it's more of a useful starting point in the conversation because you can start to see how things vary and understand maybe there's a good reason why something varies, but also start to raise questions about why is it that a branch of one publicly traded for-profit college has to hit a 70 percent placement rate at say ACCSC, and maybe only needs to hit 60 percent at a different accreditor.

So, I think it's a good starting point to start to ask why do things vary and where is the right line between consistency versus variation?

Ms. ADAMS. Thank you. In your testimony, Mr. Miller, you mentioned that one way to improve student outcomes through the accreditation process is to increase Federal minimum requirements for student financial aid.

Would you explain what the current student loan performance metrics are, and how you would recommend that Congress strengthen these metrics?

Mr. MILLER. I mean, the big problem we have right now is the only real measure of student loan performance we use is what's called the cohort default rate, which essentially asks what percentage of borrowers default within three years of leaving school. The problem is right now it's just a cliff. So, essentially if you're nowhere near that 30 percent rate, you don't have to worry, and functionally basically nobody fails this.

So, in the most recent data, I believe it was 10 schools that had about 600 and some odd borrowers total—sorry, borrowers in default total, that failed that test. So, 99 and some odd percent of schools and borrowers aren't affected by this rule.

So, I think the big thing we need to think about is measuring other problematic loan outcomes that aren't captured now, particularly people who can't repay their loans, because one of the problems we're seeing is students maybe aren't defaulting, but they're not making any progress actually getting rid of their debt, and the only other fix we have available to those people is we say to them in 20 years, basically half your working lifetime, if you do the right things and keep up with all this paperwork and stuff, we'll forgive your loan, and that's a long time to make people wait if they have borrowed a loan that's not helping them.

Ms. ADAMS. So, what steps could the Department of Education take right now to encourage accreditors to begin working with an institution before it has to close and students have to look for a new school?

Mr. MILLER. So, I think one is really trying to take a more risk-based approach to say, you know, we have some schools here that maybe they only have 100 students, so if they close, the risk and the complexity is not that high, but once we get schools that have thousands and tens of thousands of students, we should say what are the plans in place in case these things go under?

It is almost actually some of the same conversations we had around the big banks, like are we stress testing schools to make sure they are sound, do we have a plan in place in case they fail, and are we actually testing that plan?

So, are we calling those schools listed on that teach-out plan to see how many would you actually take, and will you actually take them? Are we making sure that the places that are on that teach out plan actually have good results, and we're not going to basically kick students from one school that had a bunch of bad outcomes to another that also got a ton of challenges as well, and actually make sure we are thinking about what happened and we are taking risk into account.

You know, a place that gets \$1 billion in Federal financial aid is a much bigger risk to taxpayers and to students than one that might get \$500,000 in Federal aid.

Ms. ADAMS. Thank you very much. I spent 40 years teaching on the college campus in Greensboro, North Carolina, been through many, many accreditations. I have learned a lot here today, and I thank you very much, Madam Chairman, and I yield my time back.

Chairwoman FOXX. Thank you very much. Mr. Allen, you are recognized for 5 minutes.

Mr. ALLEN. Thank you, Chairwoman, and thank you so much for your insight today as far as the college level. Dr. Pruitt, I am particularly interested in what you are doing at Thomas Edison State University based on your testimony.

I called all of our school superintendents or met with them while we were in the District, just to find out about the school year, how it is going, graduation rates, that sort of thing.

The highest graduation rate we have is in a rural county. I said how are you doing this. He said well, we are actually teaching the children to get an education, to get a job first. We are also giving them the skills that if they want to go to college, they can do that, too, rather than the other way around. In other words, rather than teaching students to go to college, we are teaching them the reason they are getting an education is to get a job.

It sounds like based on your student population that most of your students have careers or what not, and are now saying you know, I want to learn more to move up the career track.

I know even with my own children, they entered college on one track and said well, I do not know if that is what I want to do, so they are kind of back and forth. They had worked in our business, but that was kind of all they had done. Well, I think I want to do this.

We are spending a lot of money on education. Of course, I hear, too, that the career tracks are very successful as far as graduation rates. In other words, if you can get young people to understand kind of where they want to be in life early, they just get on that track and they are energized and motivated, and that sort of thing.

Tell me how that is working, and I want to ask the accreditors, do you look at that as far as accreditation. Go ahead, Dr. Pruitt.

Mr. PRUITT. Most people ask- see our student body, they want to know why are your students there, because they are older, most of them are all working. They are very diverse in their characteristics. We have students that are 25. We have had a graduate that was 92.

When you ask them why are you here, it's one thing that comes back; it's unfinished business. They started college—pretty much 90 percent of our graduates come to us with previous college. They started college and life got in the way, or they weren't ready, or there were financial issues.

There weren't institutions like ours around that could accommodate them. So, it was an unfilled life objective, and that's who most of our students are. They are self-directed, they are well motivated, they are there because they want to be there, and they have powerful outcomes.

I've given you the data. A lot of that is because of them, because they are self-directed goal oriented. They are there because they want to be there. Most of them are paying their own way, so they take the experience very seriously.

But you raised a really good question. We have to not oversimplify things. To ask an 18-year-old to know what they are going to do for the rest of their life is not wise. Most 18 year olds don't have a clue. Only 22 percent of the people in this country are in professions related to their undergraduate major. Seventy-eight percent of us are in areas that had nothing to do with our undergraduate major.

I think higher education ought to be accessible and an opportunity for everyone, but that doesn't mean everyone needs to go to colleges and universities.

You could make a good case in terms of economic benefit—Mr. McComis' graduates outperformed teachers, nurses, doctors, lawyers. I know I am paying a lot of money to a diesel mechanic right now.

The issue is—I don't want to get too preachy, but if you go back to Thomas Jefferson, Jefferson said, and I'm paraphrasing, but basically the future of the country is dependent upon the quality of the human capital, of our people, and education is the vehicle developing that human capital.

So, the issue is if you create and build the capacity of an educated person, let them have choices and options about how they want to pursue and develop their life, be it higher education, be it vocational, technical training, and have them prepared to be able to make those choices, the country will be okay.

Mr. ALLEN. That gets back to accreditation. I think in some colleges, they are misleading these young people. Did you have a comment on that?

Ms. PETRISKO. I just wanted to say there are many paths through life, many paths to and through education. Some students will know when they are six years old what they want to do and what they want to be and they follow that through forever. Others don't know, change their minds, change careers, find the wrong institution, et cetera.

I think accreditors absolutely recognize the diversity, we recognize the diversity of institutions, we recognize the diversity of students. I don't think institutions mislead students. I think institutions provide opportunities for students to figure out what they want to do and how they want to get there, and provide the support to do that. They don't force them. They support them.

Mr. ALLEN. I think we could do a better job. As usual, I am over time. I yield back.

Chairwoman FOXX. Ms. Blunt Rochester, you are recognized.

Ms. BLUNT ROCHESTER. Thank you, Madam Chairwoman and Ranking Member Scott. I want to thank the panel. This has been a really great conversation, the questions, across the aisle. It's been incredible.

When I think of accreditation, I think of not just the institution but I think of parents, as a parent of college students, I think of the students. I think of employers. There are so many pieces to this.

I stepped out of the room for a moment because Delaware's Teacher of the Year, Wendy Turner, is here, and she actually started her career as a teacher later in life, so it was a career change.

My question touches on Congresswoman Bonamici and Congressman Polis' comments about the boot camps. In Delaware, we actually have a great program. It is called Zip Code Wilmington. It is a non-profit. It is a 90-day intensive software development boot camp. It was developed both with the employer community, both local and nationally. It actually is in partnership with Wilmington University and participated in the U.S. Department of Education's Educational Quality Through Innovative Partnerships, or EQUIP Program.

The great thing about it is there are Pell eligible students that get to participate in it. I guess my question is for Mr. Miller but others can answer as well, about these kinds of programs that are unique. It is a partnership between a non-accredited program, teaching entity, and an accredited university. They even can get college credits and go on to get a Master's degree or Bachelor's degree. The success rate is incredible.

How should we evaluate the success of programs like these that partner career training programs with accredited institutions?

Mr. MILLER. I think fortunately because these are short term programs and they have very clear discernable goals, you really start with the question of are people finishing them and what is happening to them after they finish.

We just want to make sure, you know, are most people walking in the door graduating, and then are they able to get jobs and sort of sustain themselves.

I think the trick here is we should ask that question not just three weeks after they leave, but try to look at it over time, too, so we can see is this really worthwhile, is it working, et cetera, and

that we need a process in place to sort of verify if those outcomes are true.

I think this is also a good example of where we should be experimenting more. I mean there is flexibility in the Higher Education Act around trying out sort of new methods, new models, et cetera, and EQUIP is a perfect example of it.

And I think this safe space for Innovation with flexibility that says, you know, you're a good actor, you have good outcomes, we're going to trust you a little bit more to try something new, is how we should approach it. Unfortunately, what we have done in the past, we sort of tried something, we think it kind of works, and we blow the doors open to everybody, so your first 15 actors are great, your next 15 are so-so, and then your final 15 after that are bad, and you sort of ruin the model for the good actors because the bad ones have come in and sort of exploited it.

Ms. BLUNT ROCHESTER. Quickly, are there any concerns that you have about programs like this?

Mr. MILLER. I mean I think the only major concerns is just that they are pretty new, so we just don't have a great sense as to what the long term outcomes look like, and we don't have a great sense of their financial stability.

The other thing I would just say is some of the other boot camps got started really sort of educating people who often already had a Bachelor's degree and maybe had a couple of years of work experience, so you probably are looking at changing the population in some of these places, and I think we just want to make sure that they are figuring out how to serve people who might be slightly different learners than the ones they had at first, and their model is also working for them, or if it's not, they are adapting it accordingly, and they're not sort of saying this worked over here, let's try to do something with completely different people and just assume it will work.

Ms. BLUNT ROCHESTER. Anyone else? If not, I just want to say you guys, this was a great panel. Thanks, Dr. Pruitt, for the history and the preaching, too. That was good.

Mr. MCCOMIS. We have had some experience. We have had some interest and inquiry from some coding boot camps. We have also received some cautionary tales from some other States, not as successful as Delaware, in this particular regard.

So, on one hand, accreditors do serve a risk aversion role and a protection role. So, finding the right balance between those new entrants, those new providers, how to bring them into the system, I think as Mr. Miller said, slowly and with some eye towards potential success without having a whole lot of past success to rely upon, which is really what accreditors use now in making their assessments about who gets into the process and who gets to go to the next step.

Ms. BLUNT ROCHESTER. Thank you. I yield back my time.

Chairwoman FOXX. Thank you very much. Mr. Grothman?

Mr. GROTHMAN. Great. A general question. This can be for any of you. I do not believe we have touched on this, because there are criticisms of the accreditation programs in a variety of areas.

I have heard some evidence in which people feel there are arbitrary standards and universities sometimes have to spend money

on things that may be unrelated to the actual development of the student.

Can any of you comment on that or think of any anecdotes that would apply to?

Mr. PRUITT. You know, one of the things that Middle States did through its last process was to listen to its critics. We invited critics from all over the country to talk to us. We took our standards and threw them in the wastebasket, and we started all over again and completely redid them.

Most of the criticisms we got came from the things that we were forced to do because of the compliance issues of the Department. So, on the new standards, we bifurcated them. We basically said here are the things that we don't think are particularly useful, and you know, you don't think are particularly useful, but we have to do them because we're required to do them.

Here is the quality assurance piece that your peers have put together that says these are the things we think you have to do to meet our qualitative standards.

Probably 90 percent of the problems that we had were from people that were concerned about the compliance side of the house, which we had no control over, and once we separated them, it had a remarkable outcome on the buy-in we got from our 500 and so institutions on the assessment side, because they saw their community was really looking at the right things.

Mr. GROTHMAN. Can you think of examples of things that universities had to do in the past that you felt cost them money but had nothing to do with quality of education?

Mr. PRUITT. If you go back a little bit, accreditation was an input-based system, how many books did you have in the library, what was the square footage ratio, what were the student/faculty ratios.

A lot of things that weren't necessarily tied directly to learning outcomes. That has pretty much changed, and certainly with the regionals, that's gone. That is really not the case anymore.

There are still compliance costs we have in terms of the reporting, the data requirements. I have four people at my institution that do nothing but collect data to fill out forms to report information that doesn't get used very well.

My colleague here talked about the IPEDS stuff, they exclude my whole student body, the reporting requirements and financial aid, we have to notify the Department every time a student drops a course. We start a semester every month. We don't operate on the traditional calendar.

The complexity of just trying to keep up with the reporting requirements is very costly and expensive. I understand why the Department wants to know about student engagement behavior, because they want to know if you change your eligibility, they want the financial aid cut off, so I get why it is coming, but the burden of complying with it is enormous.

The overhead costs of managing Federal programs in some cases is not worth having the programs.

I could give you a lot of details on that, but that's—

Mr. GROTHMAN. Maybe one more quick thing. I think there is to a certain extent a trend towards MOOCs, these big huge courses.



I think a lot of time those courses, at least common sense would tell you, are superior to the courses being offered in the traditional fashion, better professors, way better professors.

Could you comment on if you feel there are any unfair barriers to students using MOOCs more, and just in general, do you feel they are to become a bigger, bigger share of our education?

Ms. PETRISKO. I'd like to answer that. I'm going to try to tie two things together here, and that is what is restricting in regard to innovation and these other kinds of things.

One of the things that is currently a requirement for accreditors is that if anything is considered to be a substantive change at an institution, something really different than what they've done before, it must go through accreditor's review and approval to be able to be eligible for Federal financial aid.

There is not a lot of flexibility. There are some very clear and defined things that we must review, although education has gone beyond these things as being actually substantive changes in the institutions.

That costs institutions time and money. For some things like the MOOCs, for example, some other things that might be new that are very innovative and effective, we still have to approve them.

We would like to have the flexibility as accreditors to determine what really does count as something that is substantive that we need to review, and where knowing the institution inside and out as we often do, where the flexibility can be granted to the institutions to go ahead and do that without that cost and burden.

Mr. GROTHMAN. Thank you very much.

Chairwoman FOXX. Thank you, Mr. Grothman. Mr. Mitchell, you are recognized for 5 minutes.

Mr. MITCHELL. Thank you, Madam Chair, and thank you to all of you, and for your dedication to addressing this issue.

I spent 35 years in postsecondary education with a private career school group, in fact, sat on an accrediting commission, not one of those discussed today, let's put it that way.

Dr. Pruitt, I absolutely agree—your comment about accrediting agencies existed long before it got tied into Title IV. I think it reflects the need to address the world of accreditation. As we talk about the Higher Education Act, we need to start with what should the role of the accrediting agencies be. They have evolved into being a regulatory agency, a gatekeeper, which makes it a tremendously distorted approach. I saw it in my career, I saw it on the accrediting commission.

We have to recognize that the failures that we see in accreditation simply reflect the failures in postsecondary education and in all sectors, not just the for-profit sector, but in fact in the non-profit and public sector.

There is a direct link between—at least an indicated link between graduation rates and default rates, yet some groups argue that we cannot measure graduation rates or we should not measure graduation rates, but only 55 percent of freshmen in 2010 now possess a degree or certificate as of 2016. We know what the likelihood is, they are more likely to default.

Rather than set up another oversight—I have forgotten what Mr. Miller called it, the quality assurance group, another regulatory

burden, why is it we do not create a mechanism to provide consumers information, valid information, so they can assess the value of education to their future career. What is so hard about doing that and putting out that information so that families, citizens, and taxpayers can see what they are getting for their money. Yet, we seem to struggle with that.

Dr. Petrisko, enlighten me what we do to get there, because I think consumers desperately need that to understand the burdens they are taking on. Maybe Dr. Pruitt, you may want to weigh in, too. Please.

Ms. PETRISKO. So, one of the things that we do requires that all of our institutions make public on their website what their student learning outcomes are. Then you go to our website, and there is a page for every institution that we accredit and outcomes, and there is a link where you can go directly from our site—

Mr. MITCHELL. Let me stop you, you know and I know from my experience with Michigan State University, there is a significant difference between the outcome of the nursing program and the architecture program. It has a fundamental impact on if people knew that, whether or not they would choose to invest in it.

Let's be honest, investment in any institution here is based on what is the likely outcome, whether they are going to be successful.

What is so hard about drilling down on that data, provide that to consumers and families?

Ms. PETRISKO. Well, what we do as an accreditor, and perhaps you can comment on whether you think this would be a good thing to put out to the public, what we require as an accreditor is that every institution provide us at the time of reaffirmation, at a mid-cycle review, getting us updated, what their learning goals are, evidence those goals have been achieved, who is measuring them, what they're doing about it, and when their program reviews are.

We do that at the institutional level, we do that for general education, we do that for every single program.

One of our large campuses at the University of California has 580 programs, so we do ask that for 580 programs. That can be drilled down even further. I think it's a question about how to present that kind of information at that level in that much detail to the public.

Mr. MITCHELL. You may not want to go with 580 programs, do it by college. You did not indicate employment rates in terms of the metrics you're talking about. Maybe they are in there and I do not know.

Ultimately, most of the students that go through your institutions went through ours. They came there to theoretically get the skills to go to work. Ultimately, to pay their loan back hopefully.

Why are we not reporting that in most institutions other than private and for-profit? Why do we not gather that information and report it by program? Dr. Pruitt, do you have a comment?

Mr. PRUITT. I think the key is with a lot of the data is what is the reasonable expectation of the program. If you're coming to a program, if you want to be an architect, if you want to be a nurse, if you want to be a teacher, it's reasonable to say what is the performance of our graduates in these areas?

If you're coming in a program where there is no expected definable employment outcome, you are just coming there to be educated to increase your own capacity, it's harder to do.

I do think we should and many of us do, if you look at our websites, you will see that kind of information, and most of us like to put it up there because we like to brag about it. The stuff I told you this morning about us, because we wanted to brag about it. If it wasn't good, I probably wouldn't have told you about it. We want to do that.

The issue is the system is very complex, so the challenge is how do you come up with useful data that reinforces and gives you incredible information on which to make an informed judgment in the programs where you need that information to decide, and that varies by program by program, by institution by institution.

Mr. MITCHELL. One of the things I would like to talk to you further about is the comment you made about the intended outcome. I guess one of the questions is ultimately it is taxpayer money being invested in the education of adults, helping them vocationally. Is it wise to use taxpayer money for general education from Federal financial aid. I think it is a question we need to address and goes to some of your concerns. What are we investing in both as taxpayers, through Pell grants, Title IV, and through State agencies. It is a huge amount of money.

Mr. PRUITT. I'd love to finish that conversation with you. That's a long one.

Mr. MITCHELL. We are out of time and the chair has been patient with me, so thank you for your feedback. Thank you.

Chairwoman FOXX. You have been very patient, too, today. I want to thank our witnesses again for taking the time to testify before the committee today.

I think from the comments you have heard from all the members, they have benefitted a great deal from your testimony and from this event.

I do not think people's comments were just perfunctory. I think they really mean that, and I certainly mean it from my perspective.

I would like to now recognize Ranking Member Scott for his closing comments.

Mr. SCOTT. Thank you, Madam Chair. This has been a great hearing. We got a lot of good information, and it appears accreditors can identify those institutions of higher learning that should be eligible or ineligible to participate in the Federal student financial aid programs, as well as providing important information that students should have when deciding how to assess the right postsecondary education program.

The fact that some institutions maintain accreditation right up to the day they collapse is evidence that more needs to be done. The Federal Government has \$150 billion a year interest in getting this right.

So either the accrediting agencies, who should be in the best position to judge the quality of education, must credibly make the assessments, or the Federal Government will have to figure something out that is both fair and workable.

Hopefully, the progress we have recently made will continue so we can rely on the accrediting agencies to assess the quality of our

institutions of higher learning, and I thank the witnesses for providing us with good information, and I yield back the balance of my time.

Chairwoman FOXX. Thank you, Mr. Scott. I have found this to be a very interesting discussion today, too. It raises a lot more questions for me. I am a little sorry I asked my questions first. I would like to come back and ask more, but we do not have time for that.

I think one of the major questions raised, particularly by Mr. Mitchell, right at the end, is a big discussion going on in our culture, and that is what is the purpose of "higher education."

I often say that education in our country is basically the only institution that has not changed for 150 years. We're still operating on an Agrarian Model. Nine months out of the year, it started out a long time ago three months out of the year. It really has not changed, although we have a lot of alternatives, and I think that is wonderful.

I asked Ranking Member Scott when the question came up about only 22 percent in jobs related to their degrees. I was an undergraduate English major. I often point that out. That should have prepared me for a lot of different jobs, I believe.

I am a firm believer in liberal arts education, but I saw an article this week that said we have to go more into skills development and away from liberal arts education, but I think what we are blessed with in this country, and I want it to stay that way, is we have a diversity of institutions who are there to meet the needs of many different people, and the needs of our culture.

I think we should celebrate that as much as we possibly can. I thought, Dr. Petrisko, of your comment about one of the objectives of some schools is to teach critical thinking skills. Yet, I read reports all the time that say 34 percent of employers say their employees have no critical thinking skills. How are we getting at measuring those kinds of things?

It is true, I completely agree with Ranking Member Scott, we are investing—this is a case where we are spending a lot of hard-earned taxpayer dollars in these institutions, and we need to know and the public wants to know if it is getting something for its money.

I am happy for the issues to have been brought up about some for-profit institutions being closed precipitously, but what troubles me is the total lack of concern that the previous Administration had with the students in those institutions. It seems to me it was so unkind for the Department to simply pull the plug, and I cannot blame the accreditors for the students having the problem because it was the Department who said we are cutting you off from your money and then they closed, without the ability to teach out, without the ability to help those students make a transition.

That was not the fault of the accreditors, I do not think. The accreditors may have had a responsibility. That was the fault of very uncaring people in the Department of Education in my opinion, who did not give one thought to what was going to happen to the students.

I want for every student in this country, and I believe Ranking Member Scott does, to have the best possible educational experience wherever that occurs.

We have to decide as a people are we going to subsidize that educational experience. Again, with taxpayer dollars.

There is a huge range of issues here to deal with. We cannot take care of all of them in a hearing on accreditation. I think this has helped us.

I think one of the things we did not touch on at all that I have to bring up and that is are the accreditors looking at the caliber of the students being admitted, and what is the responsibility of the institutions for admitting students who cannot graduate, who do not have the skills, and that is a topic I think for another day.

Lots and lots of issues. I asked the staff while we were talking because I remembered looking at Kiplinger's Best College Values, there are institutions in here who after four years have a 19 percent graduation rate. Lots of issues, not many answers, but lots of issues to deal with.

I thank you for helping us look at some of those issues. There being no further business, the committee stands adjourned.

[Additional submissions by Ms. Petrisko follow:]



#### **ABOUT US:**

The WASC Senior College and University Commission (WSCUC) is a regional accrediting agency serving a diverse membership of more than 200 public and private four-year higher education institutions throughout California, Hawaii, and the Pacific, as well as a limited number of institutions outside the U.S.

WSCUC is recognized by the U.S. Department of Education as certifying institutional eligibility for federal funding in a number of programs, including student access to federal financial aid.

#### **OUR WORK:**

WSCUC helps assure postsecondary quality by requiring compliance with accreditation standards and related federal regulations and encouraging continuous improvement among its member institutions.

Leveraging a diverse network of higher education experts from within and outside the region, WSCUC conducts ongoing oversight of colleges and universities based on standards spanning a variety of factors, from student outcomes and strategic planning to academic programming and fiscal stability. These and other metrics are used to determine whether an institution may be accredited and therefore eligible to participate in federal financial aid programs for its students.

#### **OUR PRIORITIES:**

As experts with significant experience in the field, accreditors are uniquely positioned to offer the constructive feedback and guidance necessary to help institutions meet high standards and improve over time. We encourage a collaborative atmosphere to boost student success, compile and highlight valuable data and research findings, and identify and circulate best practices among institutions.

Our priorities include:

- I. **PROMOTING INSTITUTIONAL IMPROVEMENT:** WSCUC supports efforts to increase student achievement through the measurement and evaluation of student outcomes, improved stakeholder partnerships, research, and the sharing of resources and best practices.

As part of this effort, we have secured a Lumina grant to increase our institutions' ability to provide publicly-available evidence of student learning, as is required by our

standards. Additionally, we are cataloging institutional successes, thus encouraging a productive and collaborative environment to better serve students in our region.

- II. **IMPROVING POSTSECONDARY DATA QUALITY:** Recognizing the need to collect and provide more comprehensive data on student completion than is currently available through IPEDS, WSCUC has developed the Graduation Rate Dashboard. The Graduation Rate Dashboard captures data that consider all students, regardless of transfer, enrollment status or time to degree, and provides institutions with more actionable information.

WSCUC is also working on predictive modeling to better anticipate graduation rates based on student population and institutional type. Continuing to highlight enrollment, retention, and graduation patterns across student demographics remains a top WSCUC priority.

- III. **STRENGTHENING TRANSPARENCY AND PEER EVALUATION:** WSCUC is dedicated to continuous improvement of the accreditation review process, transparency regarding its findings and recommendations, and the thorough training and preparation of its peer reviewers to conduct effective evaluations.

We continue to enhance training opportunities, materials and resources provided to evaluators to ensure that they are well prepared to fairly and objectively review member institutions. Furthermore, since July 1, 2012, we have publicly shared all team reports and Commission action letters on the WSCUC website, helping to shed light on the challenges and opportunities facing institutions in our region.

*To learn more about WSCUC, visit [www.wascsenior.org](http://www.wascsenior.org).*



## **FREQUENTLY ASKED QUESTIONS**

### **What is regional accreditation?**

Regional accreditation is a robust, low-cost, peer-review system to assure and improve quality in higher education. It relies on a diverse network of higher education experts to evaluate colleges and universities based on a variety of factors, such as academic programming, student outcomes and educational effectiveness. These and other metrics are used to determine whether an institution is accredited and therefore eligible to participate in federal financial aid programs for its students. There are seven regional accrediting commissions in the United States responsible for different assignments of states and institutions. The WASC Senior College and University Commission (WSCUC) is the western accrediting agency, responsible for four-year institutions in California, Hawaii and the Pacific.

### **Why does accreditation matter?**

Voluntary, non-governmental, institutional accreditation as practiced by the WSCUC and the other regional accrediting commissions is a unique characteristic of American education. In many other countries the maintenance of educational standards is a governmental function. No institution in the United States is required to seek accreditation; however, because of the recognized benefits, most of the eligible institutions in this and other regions have sought to become accredited.

### **Why is the peer review process important?**

As experts with significant experience in the field, accreditors are uniquely positioned to offer the constructive feedback and guidance necessary to help institutions improve over time. We encourage a collaborative atmosphere to boost student success, compile and highlight valuable data and research findings, and identify and circulate best practices among institutions.

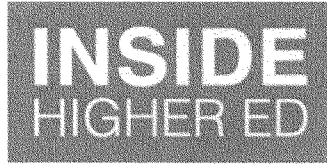
### **What are the goals of accreditation?**

The central goal of accreditation is to assure the educational community, the general public, and other organizations and agencies that an accredited institution is effectively serving students and the public good. Additionally, accreditation is used to help protect taxpayers, providing an important layer of oversight in the distribution of federal financial aid.

### **How does accreditation help institutions improve?**

To be accredited, institutions must meet standards that represent best practice in higher education. The accreditation system also provides an avenue for institutions to collaborate and share best practices around assessing and enhancing the teaching and learning process, conduct research on improving educational quality and institutional performance, and collect valuable data to inform institutional decision-making, planning and improvement. Promoting the active interchange of ideas among public and independent institutions furthers the principles of improved institutional performance, enhanced educational effectiveness, and strengthens the process of peer review.





### **A Better Dashboard**

By Mary Ellen Petrisko and John Etchemendy  
June 30, 2016

*Everyone complains about not getting reliable data on student success, but no one does anything about it. Until now, write Mary Ellen Petrisko and John Etchemendy.*

A national outcry regarding the cost of education and the poor performance of institutions in graduating their students has raised questions about the extent to which accreditors are fulfilling their mission of quality assurance. Politicians have expressed outrage, for instance, at the fact that accreditors are not shutting down institutions with graduation rates in the single digits.

At the same time, accreditors and others have noted that the graduation data available from the National Center for Education Statistics' Integrated Postsecondary Education Data System, familiarly known as IPEDS, include only first-time, full-time student cohorts and, as such, are too limited to be the measure by which institutional success is measured -- or by which accreditation is judged. But simply noting this problem does nothing to solve it. The imperative and challenge of getting reliable data on student success must be more broadly acknowledged and acted upon. The WASC Senior College and University Commission (WSCUC) has taken important steps to do just that.

As is well known, IPEDS graduation rates include only those students who enrolled as first-time, full-time students at an institution. Of the approximately 900,000 undergraduate students enrolled at institutions accredited by WSCUC, about 40 percent, or 360,000, fit this category. That means approximately 540,000 students in this region, including all transfer and part-time students, are unaccounted for by IPEDS graduation rate data.

The National Student Clearinghouse provides more helpful data regarding student success: while including full-time student cohorts, part-time students are also considered, as well as students who combine the two modes, and data include information on students who are still enrolled, have transferred and are continuing their studies elsewhere or have graduated elsewhere. Six-year student outcomes, however, are still the norm.

Since 2013, WSCUC has worked with a tool developed by one of us -- John Etchemendy, provost at Stanford University and a WSCUC commissioner -- that allows an institution and our commission to get a fuller and more inclusive picture of student completion. That tool, [the graduation rate dashboard](#), takes into account all students who receive an undergraduate

degree from an institution, regardless of how they matriculate (first time or transfer) or enroll (full time or part time). It is a rich source of information, enabling institutions to identify enrollment, retention and graduation patterns of all undergraduate students and to see how those patterns are interrelated -- potentially leading to identifying and resolving issues that may be impeding student success.

Here's how it works.

WSCUC collects six data points from institutions via our annual report, the baseline data tracked for all accredited, candidate and eligible institutions and referenced by WSCUC staff, peer evaluators and the commission during every accreditation review. On the basis of those data points, we calculate two completion measures: the unit redemption rate and the absolute graduation rate. The unit redemption rate is the proportion of units granted by an institution that are eventually "redeemed" for a degree from that institution. The absolute graduation rate is the proportion of students entering an institution who eventually -- a key word -- graduate from that institution.

The idea of the unit redemption rate is easy to understand. Ideally, every unit granted by an institution ultimately results in a degree (or certificate). Of course, no institution actually achieves this ideal, since students who drop out never "redeem" the units they take while enrolled, resulting in a URR below 100 percent. So the URR is an alternative way to measure completion, somewhat different from the graduation rate, since it counts units rather than students. But most important, it counts units that all students -- full time and part time, first time and transfer -- take and redeem.

Interestingly, using one additional data point (the average number of units taken by students who drop out), we can convert the URR into a graduation measure, the absolute graduation rate, which estimates the proportion of students entering a college or university (whether first time or transfer) who eventually graduate. Given the relationship between annual enrollment, numbers of units taken in a given year and the length of time it takes students to complete their degrees -- all of which vary -- the absolute graduation rate is presented as an average over eight years. While not an exact measure, it can be a useful one, especially when used alongside IPEDS data to get a more nuanced and complete picture of student success at an institution.

What is the advantage to using this tool? For an institution like Stanford -- where enrollments are relatively steady and the overwhelming majority of students enter as first-time, full-time students and then graduate in four years -- there is little advantage. In fact, IPEDS data and dashboard data look very similar for that type of institution: students enter, take roughly 180 quarter credits for an undergraduate degree and redeem all or nearly all of them for a degree in four years. For an institution serving a large transfer and/or part-time population, however, the dashboard can provide a fuller picture than ever before of student success. One of our region's large public universities has a 2015 IPEDS six-year graduation rate of 30 percent, for example, while its absolute graduation rate for the year was 61 percent.

What accounts for such large discrepancies? For many WSCUC institutions, the IPEDS graduation rate takes into account fewer than 20 percent of the students who actually graduate. The California State University system, for example, enrolls large numbers of students who transfer from community colleges and other institutions. Those students are counted in the absolute graduation rate, but not in the IPEDS six-year rate.

As the dashboard includes IPEDS graduation rate data as well as the percentage of students included in the first-time, full-time cohort, it makes it possible to get a better picture of an institution's student population as well as the extent to which IPEDS data are more or less reliable as indicators of student success at that institution.

Here's an example: over the years between 2006 and 2013, at California State University Dominguez Hills, the IPEDS six-year graduation rate ranged between 24 percent and 35 percent. Those numbers, however, reflect only a small percentage of the university's student population. The low of 24 percent in 2011 reflected only 7 percent of its students; the high of 35 percent in 2009 reflected just 14 percent. The eight-year IPEDS total over those years, reflecting 10 percent of the student population, was 30 percent.

In contrast, looking at undergraduate student completion using the dashboard, we see an absolute graduation rate of 61 percent -- double the IPEDS calculation. Clearly, the dashboard gives us a significantly different picture of student completion at that institution.

And there's more. To complement our work with the dashboard, WSCUC staff members have begun work on triangulating dashboard data with data from the National Student Clearinghouse and IPEDS to look at student success from various angles. We recognize that all three of these tools have limitations and drawbacks as well as advantages: we've already noted the limitations of the IPEDS and National Student Clearinghouse data, as well as the benefit of the inclusion in the latter's data of transfer students and students still enrolled after the six-year period. In addition, the data from both IPEDS and the clearinghouse can be disaggregated by student subpopulations of gender and ethnicity, as well as by institution type, which can be very beneficial in evaluating institutional effectiveness in supporting student success.

Pilot work has been done to plot an institution's IPEDS and dashboard data in relation to the clearinghouse data, displayed as a box-and-whisker graph that provides the distribution of graduation rates regionally by quartile in order to give an indication of an institution's success in graduating its students relative to peer institutions within the region. While care must be taken to understand and interpret the information provided through these data, we do believe that bringing them together in this way can be a powerful source of self-analysis, which can lead to institutional initiatives to improve student completion.

As noted, WSCUC has been working with the dashboard since 2013. While we are excited and encouraged regarding the benefits of the tool in providing a more complete and nuanced picture of student success, we also recognize that we have a great deal of work ahead of us to make the tool as useful as we believe it can be. After two pilot projects including a limited

number of WSCUC-accredited institutions, the required collection of data by all WSCUC colleges and universities in 2015 revealed a number of challenges to institutions in submitting the correct data. The dashboard can be somewhat difficult to understand, especially for institutions with large shifts in enrollment patterns. And unlike National Student Clearinghouse data, dashboard data, at least at this point, cannot be disaggregated to reveal patterns of completion for various student subpopulations.

Such issues notwithstanding, we are encouraged by the value of the dashboard that we have seen to date and are committed to continuing to refine this tool. WSCUC staff members have given presentations both regionally and nationally on the dashboard, including one to IPEDS trainers to show them the possibilities of this tool to extend the data available nationally regarding student completion.

We are hopeful that other accreditors and possibly the NCES will find the dashboard a useful tool and, if so, adopt it as an additional completion measure for institutions across the country. In any case, we will continue to do this work regionally so as to not just complain about the available data but to also contribute to their improvement and usefulness.

*Mary Ellen Petrisko is president of the WASC Senior College and University Commission. John Etchemendy is provost of Stanford University.*

<https://www.insidehighered.com/views/2016/06/30/new-way-improve-available-data-student-success-essay>



### **WSCUC'S GRADUATION RATE DASHBOARD**

*Providing more actionable and inclusive information on student success*

In 2011, the WASC Senior College and University Commission (WSCUC) launched an effort to collect and provide more comprehensive data on student success, an effort that led to the development of the Graduation Rate Dashboard. **The Graduation Rate Dashboard goes beyond federally available data reported by the Integrated Postsecondary Education Data System (IPEDS) to ensure that all graduates "count" toward an institution's completion rate.**

Currently, federal graduation rate data only cover approximately 40 percent of the nearly one million undergraduates in the WSCUC region. **WSCUC's Graduation Rate Dashboard, on the other hand, captures data on all students, regardless of transfer, full-time or part-time enrollment status or time to degree.**

As a result, the Graduation Rate Dashboard **provides institutions with more complete and inclusive information regarding student success**; helps shine a light on enrollment, retention and graduation patterns; and allows WSCUC and institutions to better identify and address issues that affect student success.

#### **How the Graduation Rate Dashboard Works:**

As part of the annual reporting required of all institutions, WSCUC collects the following six data points:

1. The unduplicated headcount of all students enrolled in undergraduate degree programs during the academic year;
2. The total institutional units completed during the academic year by students enrolled in undergraduate degree programs;
3. The unduplicated headcount of students who graduated with an undergraduate degree or credential during the academic year;
4. The total, cumulative institutional units completed by those considered "graduated"—i.e., those counted in item (3)—during their time enrolled in the degree program at the institution;
5. Number of dropouts in the academic year (all enrolled in year 1 but not in year 2 and who did not graduate); and
6. The number of units taken by dropouts in the academic year (all institutional units completed by dropouts).

WSCUC uses this additional data to calculate two completion measures: the **Unit Redemption Rate** and the **Absolute Graduation Rate**:

- The **Unit Redemption Rate** is the proportion of credits granted by an institution that are eventually 'redeemed' for a degree from that institution. The URR is a completion measure that can be applied to institutions serving any population of students (full-time or part-time, first-time, transfer or swirling), as well as institutions offering different degree programs or mixes of degree programs.
- The **Absolute Graduation Rate** is the proportion of students entering an institution that eventually graduate from that institution. Unlike IPEDS, which only tracks first-time, full-time students, the Absolute Graduation Rate is inclusive of all students who receive a degree from an institution.

**Why the Graduation Rate Dashboard Matters:**

The Graduation Rate Dashboard provides a more inclusive method to identify the enrollment, retention and graduation patterns of all undergraduates – regardless of how they matriculate, enroll, or the programs they pursue. Given this fact, the Graduation Rate Dashboard often shows an institution to have a greater success rate than indicated by IPEDS data. It enables institutions to base its decisions and actions on data reflecting the success of all of its students, not only a subset.

To learn more about the Graduation Rate Dashboard, visit  
<https://www.wascsenior.org/resources/about-the-graduation-rate-dashboard>

[Additional submission by Dr. Pruitt follows:]

# HOMEROOM

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## 23 four-year schools with low costs that lead to high incomes (<https://blog.ed.gov/2015/09/schools-with-low-costs-and-high-incomes/>)

One of the biggest concerns about college that students and families have is the costs of attending—and the possible opportunities it could create for their careers. Check out 23 four-year institutions of higher education that have demonstrated both high earnings, as well as low costs for their lowest-income students.

Institution	Median Earnings of Students 10 Years After Entering the School	Average Net Price for Low-Income Students
<u><a href="https://collegescorecard.ed.gov/school/?164465-Amherst-College">Amherst College</a></u> ( <a href="https://collegescorecard.ed.gov/school/?164465-Amherst-College">https://collegescorecard.ed.gov/school/?164465-Amherst-College</a> )	\$56,800	\$3,739
<u><a href="https://collegescorecard.ed.gov/school/?161004-Bowdoin-College">Bowdoin College</a></u> ( <a href="https://collegescorecard.ed.gov/school/?161004-Bowdoin-College">https://collegescorecard.ed.gov/school/?161004-Bowdoin-College</a> )	\$54,800	\$6,731
<u><a href="https://collegescorecard.ed.gov/school/?217156-Brown-University">Brown University</a></u> ( <a href="https://collegescorecard.ed.gov/school/?217156-Brown-University">https://collegescorecard.ed.gov/school/?217156-Brown-University</a> )	\$59,700	\$6,104
<u><a href="https://collegescorecard.ed.gov/school/?190150-Columbia-University-in-the-City-of-New-York">Columbia University in the City of New York</a></u> ( <a href="https://collegescorecard.ed.gov/school/?190150-Columbia-University-in-the-City-of-New-York">https://collegescorecard.ed.gov/school/?190150-Columbia-University-in-the-City-of-New-York</a> )	\$72,900	\$5,497



<u>Dartmouth College</u> ( <a href="https://collegescorecard.ed.gov/school/?182670-Dartmouth-College">https://collegescorecard.ed.gov/school/?182670-Dartmouth-College</a> )	\$67,100	\$7,648
<u>Duke University</u> ( <a href="https://www.collegescorecard.ed.gov/school/?198419-Duke-University">https://www.collegescorecard.ed.gov/school/?198419-Duke-University</a> )	\$76,700	\$6,280
<u>Georgia Institute of Technology-Main Campus</u> ( <a href="https://www.collegescorecard.ed.gov/school/?139755-Georgia-Institute-of-Technology-Main-Campus">https://www.collegescorecard.ed.gov/school/?139755-Georgia-Institute-of-Technology-Main-Campus</a> )	\$74,000	\$7,875
<u>Hamilton College</u> ( <a href="https://collegescorecard.ed.gov/school/?191515-Hamilton-College">https://collegescorecard.ed.gov/school/?191515-Hamilton-College</a> )	\$57,300	\$7,245
<u>Harvard University</u> ( <a href="https://collegescorecard.ed.gov/school/?166027-Harvard-University">https://collegescorecard.ed.gov/school/?166027-Harvard-University</a> )	\$87,200	\$3,386
<u>Haverford College</u> ( <a href="https://collegescorecard.ed.gov/school/?212911-Haverford-College">https://collegescorecard.ed.gov/school/?212911-Haverford-College</a> )	\$55,600	\$5,648
<u>Massachusetts Institute of Technology</u> ( <a href="https://collegescorecard.ed.gov/school/?166683-Massachusetts-Institute-of-Technology">https://collegescorecard.ed.gov/school/?166683-Massachusetts-Institute-of-Technology</a> )	\$91,600	\$6,733
<u>Massachusetts Maritime Academy</u> ( <a href="https://collegescorecard.ed.gov/school/?166692-Massachusetts-Maritime-Academy">https://collegescorecard.ed.gov/school/?166692-Massachusetts-Maritime-Academy</a> )	\$79,500	\$7,519
<u>Princeton University</u> ( <a href="https://collegescorecard.ed.gov/school/?186131-Princeton-University">https://collegescorecard.ed.gov/school/?186131-Princeton-University</a> )	\$75,100	\$5,720
<u>Rice University</u> ( <a href="https://www.collegescorecard.ed.gov/school/?227757-Rice-University">https://www.collegescorecard.ed.gov/school/?227757-Rice-University</a> )	\$59,900	\$7,960
<u>Stanford University</u> ( <a href="https://collegescorecard.ed.gov/school/?243744-Stanford-University">https://collegescorecard.ed.gov/school/?243744-Stanford-University</a> )	\$80,900	\$3,895
<u>Trinity College</u> ( <a href="https://collegescorecard.ed.gov/school/?130590-Trinity-College">https://collegescorecard.ed.gov/school/?130590-Trinity-College</a> )	\$56,100	\$7,874

<u><a href="https://www.collegescorecard.ed.gov/school/?170976-University-of-Michigan-Ann-Arbor">University of Michigan-Ann Arbor</a></u> ( <a href="https://www.collegescorecard.ed.gov/school/?170976-University-of-Michigan-Ann-Arbor">https://www.collegescorecard.ed.gov/school/?170976-University-of-Michigan-Ann-Arbor</a> )	\$57,900	\$7,156
<u><a href="https://collegescorecard.ed.gov/school/?215062-University-of-Pennsylvania">University of Pennsylvania</a></u> ( <a href="https://collegescorecard.ed.gov/school/?215062-University-of-Pennsylvania">https://collegescorecard.ed.gov/school/?215062-University-of-Pennsylvania</a> )	\$78,200	\$6,614
<u><a href="https://collegescorecard.ed.gov/school/?234076-University-of-Virginia-Main-Campus">University of Virginia-Main Campus</a></u> ( <a href="https://collegescorecard.ed.gov/school/?234076-University-of-Virginia-Main-Campus">https://collegescorecard.ed.gov/school/?234076-University-of-Virginia-Main-Campus</a> )	\$58,600	\$7,007
<u><a href="https://collegescorecard.ed.gov/school/?221999-Vanderbilt-University">Vanderbilt University</a></u> ( <a href="https://collegescorecard.ed.gov/school/?221999-Vanderbilt-University">https://collegescorecard.ed.gov/school/?221999-Vanderbilt-University</a> )	\$60,900	\$7,147
<u><a href="https://collegescorecard.ed.gov/school/?234207-Washington-and-Lee-University">Washington and Lee University</a></u> ( <a href="https://collegescorecard.ed.gov/school/?234207-Washington-and-Lee-University">https://collegescorecard.ed.gov/school/?234207-Washington-and-Lee-University</a> )	\$77,600	\$7,663
<u><a href="https://collegescorecard.ed.gov/school/?168342-Williams-College">Williams College</a></u> ( <a href="https://collegescorecard.ed.gov/school/?168342-Williams-College">https://collegescorecard.ed.gov/school/?168342-Williams-College</a> )	\$58,100	\$8,202
<u><a href="https://collegescorecard.ed.gov/school/?130794-Yale-University">Yale University</a></u> ( <a href="https://collegescorecard.ed.gov/school/?130794-Yale-University">https://collegescorecard.ed.gov/school/?130794-Yale-University</a> )	\$66,000	\$7,637

This list includes schools in the top 10 percent of predominantly four-year-degree-granting schools for 1) median positive earnings 10 years after beginning at the school and 2) low net price for students receiving federal grants or loans with a family income of \$0-\$48,000. Net price refers to the net price for in-state students in public institutions. Percentiles were calculated excluding cell sizes less than 30, schools with zero undergraduate degree-seeking students, schools not currently operating, and schools in territories.

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[Questions submitted for the record and their responses follow:]



Accrediting Commission of Career Schools and Colleges

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July 6, 2017

The Honorable Virginia Foxx  
c/o Caitlin Burke – Legislative Assistant  
Chairwoman, Committee on Education and the Workforce  
U.S. House of Representatives  
2176 Rayburn House Office Building  
Washington, DC 20515-6100

Dear Chairwoman Foxx:

Thank you for the opportunity to provide testimony at the Committee on Education and Workforce's hearing, "*Strengthening Accreditation to Better Protect Students and Taxpayers*" and for the opportunity to address the additional questions posed by Committee members. It goes without saying that ACCSC embraces the important role that accreditation plays in helping to ensure the quality of education provided by its member institutions for students and the continued integrity of the Title IV federal student financial aid program. On behalf of ACCSC, I want to express my genuine appreciation for the opportunity to continue the dialogue on ways to support Congressional efforts to strengthen accreditation.

As it relates to the Committee's June 9, 2017 letter, ACCSC's response is organized in the order of the questions provided by Committee members.

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**Chairwoman Virginia Foxx (R-NC)**

**Can you describe your admissions standards?**

The foundation of ACCSC's admissions standards is a belief that admissions criteria are a key and front-line indicator of potential students' abilities to be successful in and to benefit from their chosen programs. Given this fundamental belief, ACCSC requires institutions to establish admissions criteria that are designed to admit only those students who are reasonably capable of successfully completing and benefiting from the training offered (e.g., gaining employment). ACCSC does not define those criteria, but does expect a school to admit only those applicants who can demonstrate that they possess the qualifications that have been formally established by the school via its admissions process.

Moreover, ACCSC requires institutions to secure documentation demonstrating that applicants meet the school's admissions criteria prior to those students starting class. In the past, ACCSC found instances where institutions were allowing students to "self-certify" that they had completed high school or possessed some other credential without the student having to produce supporting documentation. Given ACCSC's belief that admissions criteria are an essential front-line indicator of student retention and completion, in 2012 ACCSC issued clarifying guidance on this long-standing requirement. As a result, institutions have reported improvement in student preparedness.

**Appendix A** provides a copy of ACCSC's admission standards.

**Do accreditors place a responsibility on colleges and universities to only admit those students whom they have a reason to believe will successfully complete their educational programs?**

In ACCSC's case, yes, absolutely. In fact, *Section V(A)(1)* of ACCSC's *Standards of Accreditation* states that schools are required to develop "admissions criteria that are designed to admit only those students who are reasonably capable of successfully completing and benefiting from the training offered." Fundamentally, ACCSC's accreditation standards require that admissions decisions be based on fair, effective, and consistently applied criteria that enable the school to make an informed judgment as to an applicant's ability to achieve the program's objectives.

This is an area, in our opinion and experience, where the Higher Education Act can be improved. Specifically, while *34 CFR §602.16 (a)(1)(vii)* requires accreditors to have standards that "effectively address the quality of the institution" in the area of admissions, there is too much ambiguity in that phrase. Revising the phrase in *§602.16 (a)(1)* to something along the lines of "[t]he agency's standards effectively address the quality of the institution and support student achievement and program completion in the following areas..." would give the U.S. Department of Education, accreditors, and institutions more context within which to develop standards and define success. Effective admissions standards are those that set both institutions and students up for success. Institutions that have high rates of program completion can point to well defined admissions standards as contributing factors.

It is also important to note here that we do not advocate for highly selective or restrictive admissions standards. Instead, ACCSC supports finely tuned criteria that are used to identify areas in which students may need additional assistance in order to be successful and that highlight for prospective students whether they are adequately prepared for the program. Too many students have taken on sizeable debt only to drop out of school without completing. Institutions and accreditors should be making every effort to help students make good decisions about enrolling in college. The admissions process is a pivotal point in that paradigm.

**How do admission standards differ for institutions with open access missions?**

Given the diversity of institutional missions across higher education, it logically follows that *different* institutions accredited by *different* types of accrediting agencies would have *different* standards and *different* expectations regarding student learning and student outcomes. This is both appropriate and necessary.

Having said that, for those institutions with open access missions, understanding what the students' needs are, as well as their level of preparedness, is still a necessary measure. What can be said with certainty is that an institution with an open access mission is no different than an institution with a more selective admissions criteria in that all institutions have an *absolute responsibility* to ensure that each and every student has the necessary skills, as well as access to student services, to be successful in the program of study. This explicit expectation, captured under *34 §602.16 (a)(1)(vi & vii)*, underscores why accreditors must ensure that institutions not only have robust admissions standards, but also have designed, developed, and consistently deployed a comprehensive student service program to help all students navigate their educational experience towards a successful outcome.

As an accrediting agency that serves institutions with open access missions, ACCSC is by no means limited in establishing an accountability-based model that combines rigorous input standards with performance outcomes in categories such as student learning, student assessment, and student achievement as measured by student graduation rates, graduate employment rates, and certification/licensure pass rates. In ACCSC's 50 years of experience as a recognized agency, outcomes measurements work best when complemented with rigorous input standards. While institutions with open access missions face their own challenges, those challenges are not insurmountable and the Congress, the U.S. Department of Education, and accreditors should not lower expectations based solely on that mission. Instead, challenges must be met by those institutions that have taken on the open access mission and accreditors should expect those institutions to have a tailored student services program designed to meet the breadth and depth of the needs that accompany students that may come to them with less academic preparation.

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Rep. Phil Roe (R-TN)

What are the regulations that are preventing accreditors from focusing on student outcomes?

ACCSC does not believe there are any regulations that necessarily *prevent* accreditors from focusing on student achievement. In fact, given the career, vocational, and technical emphasis of the ACCSC membership, ACCSC has adopted graduation, employment, and certification/licensure benchmarks as an assessment tool to help students, parents, as well as the institutions and the accrediting commission itself to make informed decisions about program performance and to better assess student outcomes. From ACCSC's vantage point as a recognized accrediting agency, there is nothing from a regulatory perspective that is preventing any recognized accreditor, regional or national, from focusing on student outcomes.

Having said that, there has not been an even application of the federal regulation that does exist in this regard. 34 CFR §602.16(a)(1)(i) applies to all recognized accrediting agencies and requires agencies to demonstrate that its standards address success with respect to student achievement in relation to the institution's mission, which may include *different* standards for *different* institutions or programs, as established by the institution, including, as appropriate, consideration of course completion, state licensing examination, and job placement rates. This requirement has been in place for over two decades and while national accrediting agencies such as ACCSC that accredits institutions with a vocational or career orientation have been held to task to show standards in the areas of graduation rates and employment rates, the regional accreditors have not. Even within the national accreditation community that accredits institutions with a vocational or career orientation, the application of this federal regulation has been uneven and agencies that have "retention" requirements and not "completion" requirements have been found to be in compliance in the past. Thus, a more definitive statement from the Congress that graduation rates and rates of employment or employability<sup>1</sup> are a requirement for all accreditors and all institutions would be an improvement. There are simply too many institutions that accreditors and the public know too little about when it comes to assessing rates of graduation – particularly in the realm of online distance education.

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<sup>1</sup> My testimony before the Committee on April 27<sup>th</sup> underscored the notion that Congress should expect accreditors to have rigorous outcomes measures and that it is up to the accreditor to find and define the right set of measures and metrics to evaluate institutional and student success.

**Are there duplicative data collection requirements the Department of Education makes on accreditors and schools?**

ACCSC cannot speak to the full array of data collection requirements that the U.S. Department of Education makes on institutions. With regard to accreditation, the U.S. Department of Education has increased the amount of data and information being requested from accreditors; but because it has been requested in the spirit of information sharing between triad partners, ACCSC has had no objections with complying with the Department's requests.

If on the other hand you are speaking of undue regulatory burden on accreditors and institutions, then the federal definition of a credit hour (34 *§CFR* 600.2) is a prime example. By creating the federal definition of a credit hour, the U.S. Department of Education federalized a basic academic concept and developed a complex and confusing system and then required accreditors to enforce this regulation. This serves as an example where accreditation has been co-opted to enforce federal overreach and blurs the lines between accreditation's self-defined quality assurance and institutional improvement role, and the quasi-surrogacy federal enforcement role that the U.S. Department of Education has at times foisted upon accrediting agencies. ACCSC believes that the better approach is to eliminate the federal definition of a credit hour and focus more on competency-based measurements and the expectations that all recognized accreditors should have rigorous student achievement outcomes standards.

Fundamentally, ACCSC believes that on matters of academic quality assessment, federal intervention into the relationship between accreditors and institutions should be minimal. The federal government recognizes accreditors as valid and reliable agents of educational quality assessment and as such should not also use the federal recognition process to insert the federal government into the peer-review process of accreditation. Doing so accomplishes little more than distracting accreditors from focusing their attention on the core aspects of their mission to ensure educational quality at the institutions they accredit.

**How can innovation in accreditation be encouraged?**

ACCSC recognizes that for the sake of higher education's advancement, the higher education community – including accrediting agencies – must be allowed to adapt and innovate in order to accommodate the diversity of students served, student preferences, and differentiated learning styles. While it is true that many new entrants to higher education generally do not fit the mold of traditional accreditation, this is not the prime barrier to allowing entry for innovative approaches. Instead, it has been ACCSC's experience that it is the lack of federal funding available for any innovative educational approach that falls outside the outdated definition of "seat-time" that is the great impediment to innovation. It was reported in 2017 that hundreds of colleges have worked on introducing competency-based credentials in recent years, but also that "federal roadblocks" including mixed signals on competency based education and audits by the Office of Inspector General that have had a "chilling effect on colleges and accreditors."

Although "direct assessment" is a step in the right direction, it co-exists in federal regulation with the federal definition of a credit hour which causes uncertainty on how to move forward with more innovative models. As higher education takes a more diverse shape, accrediting agencies and the peer review process must foster avenues for institutions to develop and deploy innovative approaches that both increase access to higher education and fundamentally change the manner in which education is

delivered. Removing the current seat-time requirements and moving toward more competency-based assessment models would open pathways for new types of “programs” that focus on what a student knows and can do as opposed to how long the student has been in school. This would encourage stair-step programs, “badges,” and life-long learning opportunities for more students and would produce a far better qualified workforce.

In addition to allowing for more innovative program design, ACCSC believes that allowing for differentiation in accreditation and Title IV eligibility would be a significant innovation. By this ACCSC means that allowing accreditors and U.S. Department of Education to accredit/recognize institutions at different levels that could change the level of federal eligibility or which would allow new entrants to “ease” into federal student financial aid programs (e.g., limited access or loans only until student achievement outcomes can be demonstrated). Right now accreditation is a binary on-off process and access to federal funding goes from zero to infinite. ACCSC believes there are several ways to think about this differently.

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Rep. Luke Messer (R-IN)

Dr. McComis, in your testimony you mention how regulatory uncertainty has been a hindrance to institutions who are interested in implementing innovative education models, like competency based education. How can Congress provide more flexibility to accreditors to promote these types of models?

#### Innovative Education Models

The greatest single impediment to exploring innovative education models like competency-based education is that it shares space with the federal definition of a credit hour under *34 CFR §668.8* and institutions have been reticent to experiment with an innovative education model for fear that they would be out of compliance with Title IV regulations surrounding “seat-time” and the awarding of credit hour. Few institutions have been willing to offer competency-based education on a large scale outside of the experimental projects because of the inherent risk to an institution’s overall eligibility for Title IV funding and its “seat-time” based education model. For example, in February 2017, American Public University which is accredited by the Higher Learning Commission, announced a new competency-based education program, *Momentum*, designed to further enhance and affordability of delivering innovative, career-relevant offerings for working adults, and is doing so, out of regulatory necessity, without access to Title IV funding.

While ACCSC’s standards contemplate the suspension of certain accrediting standards for the purpose of innovative pilot projects in career-orientated education and training, without federal funding, the practical reality is that these programs never see the light of day. This is unfortunate on many levels, one of which is the lost opportunity to adjust and improve accrediting standards and practices based on innovations in education design and delivery. For ACCSC, the opportunity to nurture these programs, particularly those focused on competency assessment, without undue regulatory burden is of paramount importance.



#### Differentiated Accreditation

ACCSC believes that Congress should consider allowing for differentiated levels of accreditation which could place schools in different “categories.” The primary purpose of differentiated accreditation is to allow accreditors to continue to fulfill their traditional role of working with schools toward continuous improvement goals and meeting established standards while also serving as gatekeepers to various federal funding programs. Differentiated accreditation could allow for an institution to move in and out of eligibility for funding programs, which may be a better option than the “all or nothing” binary system that the Higher Education Act acknowledges and that the ensuing regulations currently employ. In this new model, an accreditor could make a determination that a school can maintain its accreditation while working toward improvement, but at a “different-level” of approval than another accredited school approved at a higher level. This different level of approval could alter, limit, or suspend the federal financial aid available to new students to use at that institution. This approach could also preserve a school’s ability to regain full eligibility for federal financial aid while also not putting more students and tax dollars at risk at underperforming institutions.

Differentiated accreditation could also be used to allow new entrants to “ease” into federal student financial aid programs (e.g., loans only until student achievement outcomes can be demonstrated). Right now accreditation is a binary on-off process and access to federal funding goes from zero to infinite but there are several ways to think about this differently.

ACCSC currently uses differentiated accreditation to recognize high-performing institutions that demonstrate high levels of success in the accreditation process and student achievement (e.g., Schools of Excellence earn an additional year of accreditation based on above-average graduation and employment rates). ACCSC is also exploring a diverse array of enhancements that are intended to streamline the accreditation process such as establishing an expedited review for institutions with established compliance track records, streamlining approval processes for institutions who have consistently demonstrated program viability and student performance in program offerings, offering more gradations in accreditation decisions, and incentivizing accreditation and a focus on student achievement outcomes.

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#### **Rep. Francis Rooney (R-FL)**

**Student loan debt is now exceeding \$1.3 trillion and another \$1.2 trillion in new federal student loans are expected to be originate in the next 10 years (CBO). Taxpayers have much to gain from accreditation reforms that increase learning options and lower educational costs.**

**How can Congress approach accreditation reform to implement much needed innovation in higher education and link student learning to skills needed in the market place?**

First, seat-time requirements for funding programs do not preserve academic integrity nor promote competency assessment and as such the federal definition of a credit hour and the complex clock-hour conversion formulas should be removed from the federal regulations. If accreditors are going to be the purveyors of educational quality assessment, then accreditors should be given the discretion necessary to define the elements that go into the assessment paradigm.

The greatest single impediment to exploring innovative education models like competency-based education is that it shares space with the federal definition of a credit hour under 34 CFR §668.8 and institutions have been reticent to experiment with an innovative education model for fear that they would be out of compliance with Title IV regulations surrounding “seat-time” and the awarding of credit hour. Few institutions have been willing to offer competency-based education on a large scale outside of the experimental projects because of the inherent risk to an institution’s overall eligibility for Title IV funding and its “seat-time” based education model. For example, in February 2017, American Public University which is accredited by the Higher Learning Commission, announced a new competency-based education program, *Momentum*, designed to further enhance and affordability of delivering innovative, career-relevant offerings for working adults, and is doing so, out of regulatory necessity, without Title IV funding.

ACCSC recognizes that for the sake of higher education’s advancement, the higher education community – including accrediting agencies – must be allowed to adapt and innovate in order to accommodate the diversity of students served, student preferences, and differentiated learning styles. While it is true that many new entrants to higher education generally do not fit the mold of traditional accreditation, this is not the prime barrier to allowing entry for innovative approaches. Instead, it has been ACCSC’s experience that it is the lack of federal funding available for any innovative educational approach that falls outside the outdated definition of “seat-time” that is the great impediment to innovation. It was reported in 2017 that hundreds of colleges have worked on introducing competency-based credentials in recent years, but also that “federal roadblocks” including mixed signals on competency based education and audits by the Office of Inspector General that have had a “chilling effect on colleges and accreditors.”

Although “direct assessment” is a step in the right direction, it co-exists in federal regulation with the federal definition of a credit hour which causes uncertainty on how to move forward with more innovative models. As higher education takes a more diverse shape, accrediting agencies and the peer review process must foster avenues for institutions to develop and deploy innovative approaches that both increase access to higher education and fundamentally change the manner in which education is delivered. Removing the current seat-time requirements and moving toward more competency-based assessment models would open pathways for new types of “programs” that focus on what a student knows and can do as opposed to how long the student has been in school. This would encourage stair-step programs, “badges,” and life-long learning opportunities for more students and would produce a far better qualified workforce.

In addition to allowing for more innovative program design, ACCSC believes that allowing for differentiation in accreditation and Title IV eligibility would be a significant innovation. By this ACCSC means that allowing accreditors and U.S. Department of Education to accredit/recognize institutions at different levels that could change the level of federal eligibility or which would allow new entrants to “ease” into federal student financial aid programs (e.g., limited access or loans only until student achievement outcomes can be demonstrated). Right now accreditation is a binary on-off process and access to federal funding goes from zero to infinite.

**Do you think states should be allowed to accredit colleges and courses of study while still having access to federal student aid? Could this help local industries partner with student learning to teach student skills needed in the local market place?**

*ACCSC Response to Questions from the Committee on Education and the Workforce*  
July 6, 2017  
Page 8 of 8

While any state certainly could pursue recognition from the U.S. Department of Education, from a practical standpoint, this would not seem to be an effective use of state resources (resources that are already stretched thin) given that the regulatory framework that already exists, and in consideration of the expertise and nuance that the peer-review system of accreditation provides. Currently, each member of the regulatory triad – state government, accreditor, and federal government – has an essential role to play in the oversight of institutions. From ACCSC's perspective, it would be more effective to clarify and to articulate common understandings about the responsibilities of each member of the triad, and foster increased communication among triad actors to achieve greater commonality across the quality assurance/eligibility enterprise. By continuing to work together in partnership with the various organizations within the regulatory triad, ACCSC believes we can strengthen the existing oversight system while retaining the positive qualities of the peer-review system of accreditation.

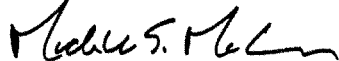
With respect to partnering with local industries, there is nothing in the accreditation system today that would prevent an institution from establishing these partnership. In fact, ACCSC requires that its accredited institutions utilize Program Advisory Committees made up of representatives from the local employment community (among others) in order to provide a formal opportunity for feedback to be shared regarding program curriculum, equipment, facilities, as well as student performance outcomes. In ACCSC's experience, these types of campus-based initiatives with the local employment community is of paramount importance to the sustained success of the institution in that community and could be established as a requirement for all recognized accrediting bodies.

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#### Summary

2017 marks ACCSC's 50<sup>th</sup> year of recognition from the U.S. Department of Education for ACCSC, including earning in 2011 & 2016 consecutive five-year unencumbered recognition grants. Today, ACCSC remains committed to helping enhance the student educational experience and student achievement outcomes through quality assurance, supporting workforce development, and bridging the growing skills gap in the United States. ACCSC believes that accreditors, as the most experienced source of information on academic quality, must be given ample trust to establish and enforce the standards and practices that best align with the institutions they serve. ACCSC, along with other recognized accrediting agencies, continue to demonstrate that the enterprise of accreditation is evolving and improving. ACCSC sincerely believes that accreditation can be strengthened while retaining the positive qualities and the expertise that peer-review captures without undue federally mandated intervention into accreditation affairs. Once again, ACCSC appreciates the opportunity to work with Congress on strengthening accreditation and looks forward to continuing dialog in this regard.

Sincerely,



Michale S. McComis, Ed.D.  
Executive Director  
ACCSC



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## APPENDIX A – ACCSC ADMISSIONS POLICIES AND PRACTICES

### SECTION V - STATEMENT OF PURPOSE

The purpose of this section is to ensure that schools only admit those students who are capable of successfully completing the training offered. Admission decisions must be based on fair, effective, and consistently applied criteria that enable the school to make an informed judgment as to an applicant's ability to achieve the program's objectives.

#### A. General Requirements

1. A school develops admissions criteria that are designed to admit only those students who are reasonably capable of successfully completing and benefiting from the training offered.
2. A school publishes in its catalog and informs, prior to admission, each applicant for enrollment of the program's admission requirements, process, and procedures; the nature of the training and education provided; and the program's responsibilities and demands. (See also *Section IV (C), Substantive Standards, Standards of Accreditation*.)
3. A school consistently and fairly applies its admission requirements.
4. Prior to enrollment a school:
  - a. Determines that an applicant meets the school's admissions requirements;
  - b. Secures documentation to demonstrate that each applicant meets all admission requirements;
  - c. Documents that applicants rejected did not meet admissions requirements;
5. A school maintains documentation covering the last five years that demonstrates that admission requirements have been met or that explains the basis for any denial of admission.
6. A school neither denies admission nor discriminates against students enrolled at the school on the basis of race, religion, color, gender, sexual orientation, genetic information, age, disability, or national origin. Schools must reasonably accommodate applicants and students with disabilities to the extent required by applicable law.
7. A school may not enroll or admit any person of compulsory school age or any person attending a school at the secondary level, unless the school has established through contact with properly responsible parties that pursuit of the training will not be detrimental to the student's regular school work.
8. The Commission, at its discretion, may require a school to conduct a study to document the effectiveness of its admission requirements for all students.

#### B. Non-Degree Programs

If the school enrolls a person who does not possess a high school diploma or recognized equivalency certificate (non-degree programs only):

1. The determination of the applicant's ability to benefit from the training offered must be confirmed by documentation of the applicant's achievement of an approved score on a test or tests that have

<sup>1</sup> See also *Appendix V, Substantive Standards, Standards of Accreditation*.

been reviewed by a qualified, independent third party for appropriateness of the instrument and specific score levels required for admission.

2. The acceptable score ensures that students will benefit from the training provided and that a substantial number of students will complete the training and be employed in the field for which training was provided.

**C. Degree Programs-Undergraduate**

The school must use appropriate techniques to assess whether applicants have the skills and competencies to benefit from the training provided at the undergraduate level. Students admitted to associate or baccalaureate degree programs must have earned at least a high school diploma or recognized equivalency certificate prior to starting class.

**D. Degree Programs-Graduate**

1. The school must use appropriate techniques to assess whether applicants have the skills and competencies to benefit from the training provided at the graduate level. A student admitted to a master's degree program must possess an earned baccalaureate degree from a recognized higher-education institution (e.g., accredited by an agency recognized by the U.S. Department of Education or the equivalent). All admission criteria, to include evidence of an earned baccalaureate degree, must be met prior to matriculation.
2. For graduate level courses or master's degree programs, standardized or national examinations may be required (e.g., GRE or GMAT). The school may utilize other entrance tests that have been reviewed by a qualified, independent third party for appropriateness of the instrument and specific score levels required for admission. In any case, the school must disclose the type and nature of examination and the acceptable score and/or range of scores applicants must receive to be admitted.

**E. ESL Courses**

1. Students enrolled in ESL courses must meet all other admission requirements applicable to students enrolled in the school's career or occupational programs, which may be established through testing in the student's native language. During the enrollment process, adequate translation resources must be available to assist students in their comprehension of the process and all program requirements.
2. The school must demonstrate that, with appropriate teaching, the students enrolled in front-loaded and integrated ESL courses can qualify for specialized training or continue their occupational education.

**ADMISSIONS DOCUMENTATION**

*Section V (A)(4)(b), Substantive Standards, Standards of Accreditation* requires that a school "secures documentation to demonstrate that each applicant meets all admission requirements" prior to enrollment. Because of the importance of admissions requirements and the role those requirements play in allowing schools to make informed admissions decisions, the Commission believes that a school's diligence in requiring documentation is a key component to institutional success. Therefore, the Commission does not consider a self-certification by a student that he or she has a high school diploma or equivalent to be

“documentation” that the student has met this admissions requirement. The standard contemplates that a school will support its admissions decisions with independent documentation such as transcripts and copies of diplomas or other documentation of equivalency. Admissions documentation for students from foreign countries is to be translated and certified to be at least equivalent to the credential required by the school in its admissions criteria (e.g., a U.S. high school diploma). In all cases, it is the responsibility of the school to determine whether the credential is appropriate and meets the school’s admissions criteria.

Moreover, the Commission believes that it is the responsibility of each school to make a determination that a student meets the school’s admissions criteria prior to that student beginning a program of study as a means to ensure that the student can perform the level of work required by the program curricula. The fundamental rationale is that admissions criteria are a key and front-line indicator of a potential student’s ability to be successful in a program and as such a school should not admit students to a program of study until the potential students can show that those qualifications have been met. The Commission also concluded that requiring admissions documentation prior to enrollment aligns with *Section V, Statement of Purpose, Substantive Standards, Standards of Accreditation* which states:

*The purpose of this section is to ensure that schools only admit those students who are capable of successfully completing the training offered. Admission decisions must be based on fair, effective, and consistently applied criteria that enable the school to make an informed judgment as to an applicant’s ability to achieve the program’s objectives.*

As such, the Commission has interpreted that “prior to enrollment” in the context of *Section V (A)(4)(a-b)* means prior to the acceptance of the student through the full execution of the enrollment agreement (e.g., signed by the accepting school official) and before allowing a student to start classes. As a practical matter, the Commission concluded that a student may sign an enrollment agreement and a school may communicate conditional or provisional acceptance of a student prior to receipt of documentation that admissions criteria have been met. However, a school may not consider a student fully enrolled and may not allow a student to start classes without the requisite documentation. Thus, each school must have a policy and procedure for ensuring that admission documentation is secured prior to fully executing the enrollment agreement and allowing the student to start class. The Commission also concluded that this interpretation applies equally to “conditional” or “trial” periods of enrollment.

For those ACCSC-accredited institutions that require that an applicant must possess a high school diploma or its equivalent for admission, the Commission recognizes that in rare instances students may not be able to provide documentation required by a school’s admissions criteria due to issues beyond their control (e.g., loss of records due to fire or flood, inability to obtain records, home schooled students, etc.). In these rare cases, a school may use an admissions test in lieu of documentation of a high school diploma or its equivalent. Under these circumstances, the student must sign a statement attesting that he or she in fact obtained a high school diploma or its equivalent and state the reason(s) why documentation of the earned credential cannot be provided. The admissions test used under these circumstances must be reviewed by a qualified, independent, third party and certified as to the appropriateness of the instrument and required score levels (i.e., equivalent to a high school diploma). If a school chooses to use such a test for these unusual circumstances, this should be stated in the school’s admissions policies.

The Commission understands that other regulatory agencies may have different requirements. Please be advised that in instances where these differences exist, the more stringent requirements shall apply (*Section I (B)(1)(e)(iii), Rules of Process and Procedure, Standards of Accreditation*).

**Education and the Workforce Committee Hearing, Strengthening Accreditation to Better Protect Students and Taxpayers, April 27, 2017**  
**Response of Ben Miller, Senior Director, Postsecondary Education, Center for American Progress to Questions for the Record**  
**June 30, 2017**

**What are the regulations preventing accreditors from focusing on outcomes?**

While it is fair to debate the question of improving accreditor regulations, current rules do not inherently prevent these agencies from focusing on outcomes. For instance, essentially every national accreditation agency has benchmarks for certain outcomes institutions are required to meet. These include measures of completion, retention, placement, licensure, and student satisfaction.

Instead, the problem with the regulations related to outcomes is that they are too vague. Because Congress prohibits the Department of Education from looking at the actual content of the measures of student achievement accreditors use, there is no mechanism besides internal agency will to ensure they set any bars for outcomes, or that the bars they set are sufficiently ambitious. As a result, regional agencies do not have any clear standards when it comes to outcomes. This limitation also allows many national agencies to set standards in a rudimentary manner, where required thresholds are often set just one standard deviation below the median. This approach presumes that the median performance level is acceptable.

Restoring a middle ground between federal oversight and institutional flexibility would help here. At the very least, federal reviews of accreditors should consider the student achievement standards set in relation to other accreditors. National accreditation provides a perfect example of this. At one point, the Accrediting Commission for Career Schools and Colleges (ACCSC) and the Accrediting Council for Independent Colleges and Schools (ACICS) oversaw functionally identical branches of colleges owned by Corinthian Colleges. The campuses under ACCSC had to demonstrate completion rates of between 36 percent and 84 percent depending on the program length, and all programs had to have a placement rate of 68 percent. The ACICS campuses, meanwhile had to show a retention rate of 60 percent and a placement rate of 60 percent.<sup>1</sup> A very reasonable review would have asked why it is acceptable for one accreditor to set weaker student achievement standards versus another.

The interaction between accreditors and institutions allowed by regulation also complicates the use of outcomes. Regional accreditors generally defer to the institutions they oversee to self-define acceptable rates of student achievement. The benefit of operating without a standard on student outcomes is that it allows one agency to oversee a diverse range of institutional types. But allowing an institution to set its own bars for performance can arguably go too far. Some rebalancing, where accreditors could define acceptable outcomes for different types of institutions, would help with consistency.

**Are there duplicative data collection requirements the Department of Education makes on accreditors and schools?**

The problem is not that the Department requires duplicative data from accreditors and schools, it's that too often data are decentralized and some of the measures collected are not very useful. For example, some accreditors require colleges to submit program-level data on completion. Accreditors cannot rely on Department of Education data for program-level data because it only produces graduation rates at the institutional level. Even worse, the federal graduation rate measure is useless for schools with large numbers of part-time or transfer students.

The second issue is that accreditors may not always get access to the wealth of data held by the Department of Education. For instance, the department began producing a great deal more information about the outcomes for students receiving federal financial aid through the College Scorecard, such as earnings and loan repayment. Sharing these new data and at a more granular level (such as by program) with accreditors would make their use of outcomes a lot easier.

Creating a student-level data system at the federal level would streamline the accreditation data collection process. If accreditors could get access to comprehensive, centralized federal data on completion, loan repayment, and other outcome indicators then it would not have to go to individual schools for this information.

Accreditors recognize the need for these data. Several are already working with the National Student Clearinghouse—a private provider that generates better completion data than the federal government because they have student-level data that includes individuals who did not receive federal financial aid, part-time students, and transfer students. However, using Clearinghouse data comes with other limitations. First, it may require a fee from accreditors. Second, the Clearinghouse can only provide data for individual institutions if the institution itself grants the Clearinghouse permission to share its data. As a result, the accrediting agency must get permission from each of the hundreds of institutions it oversees before it can use the data in any meaningful way. The Western Association of Schools and Colleges Senior College and University Commission, or WASC, is in the process of getting permission from its institutions now.<sup>2</sup> Third, the Clearinghouse can only generate a completion measure for an institution after it has collected years of data. While many institutions now share their data with the Clearinghouse, it will take some time before a valid completion measure can be generated for some of them. Lastly, the Clearinghouse has suboptimal coverage for many for-profit colleges, making this data system not as useful as it could be for many of the national agencies.

Admittedly, finances are one place where there is some duplication of collection. But this generally means that accreditors also demand an institution's annual financial audit and financial measures collected through the Integrated Postsecondary Education Data System, or IPEDS. Though this information is also sent to the department, sharing an audit with multiple parties essentially means just forwarding a PDF to a few separate locations.

#### **How can innovation in accreditation be encouraged?**

We should be clear about what we mean by “innovation” because it can take different forms. There is innovation in the sense of having new entities with higher standards act as quality assurance gatekeeping agencies. There is innovation in the sense that we can have existing accreditors pursue new ways of assuring quality. And there is innovation in the sense of allowing new types of educational providers. Each has merit, though the policy solutions are different.

##### *New quality assurance agencies*

Regulations allow new agencies to petition the Department of Education to serve as gatekeepers of federal financial aid. It is unclear why many of the organizations that complain about the existing system have not chosen to support the creation of new quality assurance agencies.

The best way to solve this problem, however, would be to authorize a new system that could operate as an alternative to the current accreditation model. This would be a voluntary effort that educational providers and traditional institutions could choose to use. It would require new quality assurance



entities to put forth standards that hold providers to a high bar for student performance and to demonstrate robust financial health.<sup>3</sup>

Fortunately, there are some efforts already underway to test out new forms of quality assurance. The Educational Quality Through Innovative Partnerships (EQUIP) program created by the Department of Education in 2016 is providing a way for new organizations to serve as quality assurance entities. Congress should support this effort and ensure that the program continues.

#### *Improve the existing system*

The current system should be made more flexible. Accreditors should be given authority to authorize differential levels of access to federal financial aid (e.g., approve access to grants but not loans), as well as set greater restrictions on newly approved colleges. This can mean limiting growth at first, or enforcing tougher requirements on colleges trying to expand program types. This will remove the risk of approving a new provider that scales up too quickly before it proves it can be successful. In addition, accreditors should be encouraged to create different review systems that vary how they approach quality assurance based upon the school's outcomes.

More flexibility should, however, come with oversight. Reviews of accreditation agencies should consider the outcomes of schools that are given a differential process and lighter touch to ensure that the agencies are not using this authority to lessen requirements on problematic actors. Similarly, accreditors where overall results are lacking should not be granted this authority.

#### *Approve innovative new providers*

As described above, an alternative system would help with this problem. So would changes to the current system that take a more thoughtful and cautious approach to new actors. One of the problems with the current system is that once an institution secures approval for federal financial aid, it becomes eligible for an unlimited amount of federal student aid funds, and removing them from the system is difficult. This can create problematic incentives where a model that was designed for one type of population and one enrollment size can easily change who it is serving and the scale at which it operates. As a result, the accreditation system must anticipate not only whether a new provider will high-quality, but also whether some unknown future permutation of the new provider can maintain the same level of performance. Getting this initial call wrong can be devastating—a school may get way too large, do a terrible job serving students, and continue to do so with few consequences.

A system that has more processes for easing institutions into the federal financial aid system would help. For example, new providers should first have to operate on a reimbursement basis with strict limits on growth and enrollment. This would allow accreditors to do more around experimenting with new actors because they would not have to worry that an incorrect approval call would metastasize into a massive problem. Similarly, it would allow a new provider to work out whether its model still operates well as it grows to serve new populations. The Higher Education Innovation Act introduced by Senators Marco Rubio (R-Fla.) and Michael Bennet (D-Colo.) provides a good model for how this could work.<sup>4</sup>

<sup>3</sup> Ben Miller, "ACICS Must Go," (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/education/reports/2016/06/06/138826/acics-must-go/>

<sup>4</sup> WASC Senior College and University Commission, "Triangulating Student Success: WSCUC seeks permission for data use," available at <https://www.wscuc.org/announcements/wscuc-seeks-permission-data-use>

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<sup>3</sup> Ben Miller, David Bergeron, and Carmel Martin, "A Quality Alternative: A New Vision for Higher Education Accreditation," (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/education/reports/2016/10/06/145152/a-quality-alternative-a-new-vision-for-higher-education-accreditation/>

<sup>4</sup> S.2111 Higher Education Innovation Act, available at <https://www.congress.gov/bill/114th-congress/senate-bill/2111>



June 30, 2017

Dr. Virginia Foxx  
Chairwoman  
Committee on Education and the Workforce  
U.S. House of Representatives  
2176 Rayburn House Office Building  
Washington, DC 20515-6100

Dear Chairwoman Foxx:

Thank you for your letter of June 9, 2017 providing additional questions as a follow-up to the April 27, 2017 hearing, "Strengthening Accreditation to Better Protect Students and Taxpayers." I am pleased to receive these additional questions and have provided my responses in the enclosure. I would be happy to provide additional information as it may be helpful.

Thank you for the opportunity to assist the House of Representatives Committee on Education and the Workforce in its important work.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Petrisko". The signature is fluid and cursive, written in a professional style.

Mary Ellen Petrisko  
President  
WASC Senior College and University Commission

Committee on Education and the Workforce  
 U.S. House of Representatives Information Request  
 June 30, 2017

Chairwoman Virginia Foxx (R-NC)

**Can you describe your admissions standards? Do accreditors place a responsibility on colleges and universities to only admit those students whom they have reason to believe will successfully complete their educational programs? How do admissions standards differ for institutions with an open access mission?**

At the WASC Senior College and University Commission (WSCUC), admissions are addressed primarily at the time of application for eligibility for accreditation, to ensure that all institutions eventually admitted to Candidacy or granted Initial Accreditation have appropriate admissions policies and procedures. There is also a stress on institutions' providing sufficient information to the public so that a prospective student can determine whether a particular institution is one at which he or she has a good chance of success. There is not a different requirement for institutions with an open access mission. As noted below, every institution must have admissions policies "consistent with its purposes" that specify prospective student qualifications. Institutions must also provide clear and honest information about themselves to aid prospective students in deciding whether to apply.

The WSCUC manual *How to Become Accredited* (<https://www.wscuc.org/content/How-to-Become>) includes *Eligibility Criterion 15. Admissions*:

The institution has adopted and adheres to admission policies consistent with its purposes that **specify the qualifications of students that are appropriate to the degree levels offered.**  
 [emphasis added]

This Criterion specifies that an institution applying for eligibility must provide:

- a copy of its admissions policy from a published statement, including criteria for admission;
- a copy of its enrollment application;
- any articulation agreements with other institutions; and
- marketing or outreach plans and materials.

A responsibility is placed on colleges is to be clear and honest with regard to other information about the institution as well. *Eligibility Criteria 3. Public Information* is also relevant to this question:

The institution publishes in its catalog, or in other appropriate places, accurate and current information that describes its purposes and objectives, admission requirements and procedures, financial aid policies and procedures, rules and regulations directly affecting students, programs and courses, degrees offered and the degree requirements, costs and refund policies, formal and informal grievance procedures, academic credentials of faculty and administrators, and other items relevant to students' attending the institution or withdrawing from it.

This Criterion specifies that an institution applying for eligibility must provide general information that must include at least the following:

- official name, address, telephone, website
- educational mission
- course, program, degree offerings
- academic calendar and program length

- available student financial aid
- available learning resources
- names and degrees of administrators and faculty
- names of governing board members
- admissions criteria and processes
- student fees and other financial obligations
- all degrees, diplomas, and certificates currently offered
- graduation and transfer policies

Criterion 3 also requires that an institution applying for eligibility provide major policies affecting students:

- academic regulations including academic honesty
- nondiscrimination policies and procedures
- acceptance of transfer credits
- grievance and complaint procedures
- sexual harassment policies and procedures
- refund of tuition and fees
- location of publications where other policies may be found

**Rep. Phil Roe (R-TN)**

**What are the regulations that are preventing accreditors from focusing on student outcomes? Are there duplicative data collection requirements the Department of Education makes on accreditors and schools? How can innovation in accreditation be encouraged?**

The Council of Regional Accrediting Commissions (C-RAC) has compiled a list of recommendations regarding current regulations that we hope will be taken into account with a next reauthorization of the Higher Education Act. I have attached those recommendations here (Attachment A). They have also been shared with the Senate HELP Committee.

The data that are collected from accreditors are primarily those related to actions taken on accredited institutions. I do not believe that there is significant duplication compared to the data that are collected from institutions.

Regional accreditors are unfairly accused of stifling innovation. We actually are supportive of innovation, as long as students' interests are protected and the quality and sustainability of the institution are maintained. That being said, one way in which innovation in accreditation could be encouraged would be to allow accreditors the flexibility to determine when certain requirements tied to federal regulation might be waived to allow for experimentation and innovation. Accreditors would be able to determine, given the particular situation of an individual institution, whether that institution could experiment with new types of programs and/or program delivery without having to go through normal channels of substantive change (see 34 CFR 602.22).

**Rep. Francis Rooney (R-FL)**

**Student loan debt is now exceeding \$1.3 trillion and another \$1.2 trillion in new federal student loans are expected to be originated in the next 10 years (CBO). Taxpayers have much to gain from accreditation reforms that increase learning options and lower educational costs. How can Congress**

**approach accreditation reform to implement much-needed innovation in higher education and link student learning to skills needed in the marketplace? Do you think states should be allowed to accredit colleges and courses of study while still having access to federal student aid? Could this help local industries partner with student learning to teach students skills needed in the local marketplace?**

As stated in my response to Rep. Roe, allowing accreditors the flexibility to waive requirements tied to federal regulations would be a helpful step in enabling institutions to experiment and implement innovative offerings. With regard to linking student learning to skills needed in the marketplace, WSCUC includes the following in its standards for accreditation under Standard 4: Creating an Organization Committed to Quality Assurance, Institutional Learning, and Improvement, to help ensure that institutions are aware of and responding to marketplace and other societal needs with their offerings:

Criterion for Review 4.5: Appropriate stakeholders, including alumni, employers, practitioners, students and others designated by the institution, are regularly involved in the assessment and alignment of educational programs.

Criterion for Review 4.6: The institution periodically engages its multiple constituencies, including the board, faculty, staff, and others, in institutional reflection and planning processes that are based on the examination of data and evidence. These processes assess the institution's strategic position, articulate priorities, examine the alignment of its purposes, core functions, and resources, and define the future direction of the institution.

Criterion for Review 4.7: Within the context of its mission and structural and financial realities, the institution considers changes that are currently taking place and are anticipated to take place within the institution and the higher education environment as part of its planning, new program development, and resource allocation.

With regard to states, which have largely reduced their traditional responsibilities within the triad of quality assurance consisting of the federal government, states, and accreditors, I do not believe that it is reasonable or prudent to assume that there is sufficient capacity to conduct the kind of evaluation needed to assure the quality of colleges and universities. Accreditors' evaluations of the wide variety of institutions with access to federal student aid depend on qualified peer evaluators who understand the complexities of those diverse institutions. State organizations, to the extent that they exist, do not have the capacity to perform such evaluations. Additionally, the peer evaluators who conduct institutional reviews do so on a voluntary basis, keeping the costs of accreditation low. States would require greater financial resources to allow them to conduct these reviews, even if they had qualified staff to do so. The need for local industries to partner with institutions of higher education to ensure that workplace needs are taken into consideration in educational offerings can be met through accreditors' current requirements, as noted in the Criteria for Review cited above, as well as through direct collaboration between employers and colleges and universities. See, for example, the activities of the Business-Higher Education Forum ([www.bhef.com](http://www.bhef.com)), which brings together Fortune 500 CEOs and college and university presidents to address this issue.

Attachment A

**Recommendations for the Reauthorization of the Higher Education Act (HEA)**  
**Council of Regional Accrediting Commissions (C-RAC)**

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1. **Reduce *burden and costs of accreditation* by repealing language that forces accreditors to seek separate approval in their scope of recognition for reviewing distance education and correspondence education.**

Background:

The Higher Education and Opportunity Act of 2008 (HEOA) added to HEA new requirements for accreditors evaluating the quality of institutions or programs offering distance education or correspondence education. These requirements (and their corresponding regulations) have added burden and costs to the accreditation process but have not provided any meaningful benefit to institutions or students. Thus, these additional requirements should be repealed, and the academic integrity of institutions and programs delivering education through these or any future modalities should be evaluated in the same manner as all other institutions and programs.

Proposed Language:

Strike section 496(a)(4)(B) as follows:

~~“(B) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance education or correspondence education, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—~~

~~“(i) the agency or association’s standards effectively address the quality of an institution’s distance education or correspondence education in the areas identified in paragraph (5), except that—~~

~~“(I) the agency or association shall not be required to have separate standards, procedures, or policies for the evaluation of distance education or correspondence education institutions or programs in order to meet the requirements of this subparagraph; and~~

~~“(II) in the case that the agency or association is recognized by the Secretary, the~~

~~agency or association shall not be required to obtain the approval of the Secretary to expand its scope of accreditation to include distance education or correspondence education, provided that the agency or association notifies the Secretary in writing of the change in scope; and~~

~~“(iii) the agency or association requires an institution that offers distance education or correspondence education to have processes through which the institution establishes that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the program and receives the academic credit;”~~

2. Reduce the institutional paperwork burden related to “substantive change” requirements, and allow accreditors greater flexibility in determining when approval is necessary.

Background:

Under current law, institutions must seek approval from their accreditor in cases where they establish a branch campus or have a change of ownership. These “substantive change” requirements are vastly expanded under HEA regulations, which dictate the specific conditions in which approval is necessary. This rigid system provides very little flexibility for accreditors to make case-by-case determinations of when separate approval is truly necessary and has led to accreditors reviewing thousands of substantive change requests each year, at huge cost to both accreditors and institutions.

Proposed Language:

Amend section 496(c), paragraphs (4) and (5), as follows:

*(c) OPERATING PROCEDURES REQUIRED. —No accrediting agency or association may be recognized by the Secretary as a reliable authority as to the quality of education or training offered by an institution seeking to participate in the programs authorized under this title, unless the agency or association— ...*

...

*(4) requires that any institution of higher education subject to its jurisdiction which plans to establish a branch campus, submit a plan for approval to the accrediting agency or association in accordance with standards promulgated by such agency or association, ~~submit a business plan, including projected revenues and expenditures, prior to opening the branch campus;~~*

*(5) agrees to conduct, ~~as soon as practicable, but within a period of not more than 6 months of~~ upon the establishment of a new branch campus or a change of ownership of an institution of higher education, a review of such branch campus or institution, an on-site visit of that branch campus or of the institution after a change of ownership in accordance with standards promulgated by such agency or association;*



Amend section 496(o) as follows:

*(o) REGULATIONS.—The Secretary shall by regulation provide procedures for the recognition of accrediting agencies or associations and for the appeal of the Secretary's decisions. Notwithstanding any other provision of law, the Secretary shall not promulgate any regulation with respect to the standards of an accreditation agency or association described in subsection (a)(5), or with respect to the operating procedures implemented by an accreditation agency or association pursuant to subsection (c)(4) or (c)(5).*

**3. Provide a path for accreditors to seek waivers of rules and regulation that block innovation.**

Background:

The efforts of accreditors to enable innovation in higher education are at times made more difficult by statutory or regulatory limitations. Although these provisions may often serve an important role toward ensuring quality and integrity, the lack of flexibility in how they are applied can have the unintended consequence of forcing accreditors to reject innovative programs or institutional initiatives that accreditors would otherwise find have clear academic integrity.

Although these barriers often extend beyond the purview of accreditors, C-RAC believes there should at least be a process through which accreditors have the ability to signal to the Department of Education that certain initiatives warrant consideration for having specific statutory or regulatory barriers waived.

Proposed Language:

Add a new section 498(r), as follows:

*(r) Waiver.—The Secretary shall establish a process through which an agency or association may seek to have a provision of law under this subpart [Subpart 2 – Accrediting Agency Recognition] waived, if such agency or association demonstrates that such waiver is necessary to enable a program or institution of high integrity and quality to implement innovations and such agency or association describes the terms and conditions such agency or accreditor will place upon the program or institution to ensure academic integrity and quality.*

**4. Ensure that students and the public have access to information on the quality and accreditation status of institutions.**

Background:

Under current law, an accreditor is required to make certain information available to the public, including:

- Whenever an institution of higher education subject to its jurisdiction is being considered

- for accreditation or reaccreditation;
- Summaries of agency or association actions (including award of accreditation, reaccreditation or adverse actions); and
- Upon request, a summary of any reviews resulting in a final accrediting decision involving denial, termination, or suspension of accreditation, together with the comments of the affected institution.

The proposed language strikes “upon request” to ensure this information is more readily available without students and parents having to make a special request. In addition, this proposal expands the types of information made publically available and includes new language to ensure that institutions are disclosing consumer information to students as required under Section 132(i).

Proposed Language:

Amend section 496(a)(8) as follows:

*(8) such agency or association shall make available to the public, ~~upon request~~ the Secretary, and the State licensing or authorizing agency a summary of any review resulting in a final accrediting decision involving denial, termination, or suspension of accreditation, together with the comments of the affected institution.*

Amend the following new paragraphs to section 496(c):

*(c) OPERATING PROCEDURES REQUIRED.—No accrediting agency or association may be recognized by the Secretary as a reliable authority as to the quality of education or training offered by an institution seeking to participate in the programs authorized under this title, unless the agency or association—*

*(7) makes available to the public and the State licensing or authorizing agency, and submits to the Secretary, a summary of agency or association actions, including—*

*(A) the award of accreditation or reaccreditation of an institution;*

*(B) final denial, withdrawal, suspension, or termination of accreditation of an institution, and any findings made in connection with the action taken, together with the official comments of the affected institution; and*

*(C) any other adverse action taken with respect to an institution or placement on probation of an institution;*

*(8) discloses publicly whenever an institution of higher education subject to its jurisdiction is being considered for accreditation or reaccreditation; and*

*(9) confirms, as a part of the agency’s or association’s review for accreditation or reaccreditation, that the institution has transfer of credit policies—*

*(A) that are publicly disclosed; and*

*(B) that include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education.*

*(10) makes publicly available, on the agency or association's website, a list of the institutions of higher education accredited by such agency or association, including –*

*(A) the year accreditation was granted;*

*(B) the most recent date of a comprehensive evaluation of the institution; and*

*(C) the anticipated date of the next such evaluation; and*

*(11) confirms, as a part of the agency's or association's review for accreditation or reaccreditation, that the institution's website includes consumer information on students outcomes as described section 132(i).*

5. Ensure continuous monitoring of institutional quality and effectiveness.

Background:

The Act currently requires the regular review of institutions by accreditors. Many accreditors do this through the annual review of data submitted by institutions.

The proposed language would provide more flexibility to accreditors by striking requirements for on-site reviews and prohibiting the Secretary from regulating on how accreditors perform such reviews, while requiring agencies to have policies in place that include annual monitoring of indicators of quality and program effectiveness.

Proposed Language:

Amend section 496(c) as follows:

*(c) OPERATING PROCEDURES REQUIRED.—No accrediting agency or association may be recognized by the Secretary as a reliable authority as to the quality of education or training offered by an institution seeking to participate in the programs authorized under this title, unless the agency or association—*

*(1) performs at regularly established intervals, on-site inspections and reviews of institutions of higher education (which may include unannounced site visits) with particular focus on educational quality and program effectiveness, and ensures that accreditation team members are well-trained and knowledgeable with respect to their responsibilities, including those regarding distance education for each institution of higher education that such agency or association accredits or pre-accredits, a review that includes monitoring against education quality and program effectiveness indicators in accordance with policies promulgated by the agency or association;*

(2) ensures that accreditation team members are well-trained and knowledgeable with respect to their responsibilities, including those regarding distance education;

...

(a) REGULATIONS. — The Secretary shall by regulation provide procedures for the recognition of accrediting agencies or associations and for the appeal of the Secretary's decisions. Notwithstanding any other provision of law, the Secretary shall not promulgate any regulation with respect to the standards of an accreditation agency or association described in subsection (a)(5), or with respect to the operating procedures of an accreditation agency or association described in (c)(1).

6. Restrict lawsuits against accreditors to federal court.

Background:

Under the Act, any civil suit brought by an institution that involves an adverse action must be brought to the appropriate United States district court. This has left open the ability for third parties to sue on behalf of such institutions in state courts. The proposed language would ensure all lawsuits of this nature be brought to federal court including those brought by third parties.

Proposed Language:

Amend section 496(f) as follows:

(f) JURISDICTION. — Notwithstanding any other provision of law, any civil action ~~brought by an institution of higher education seeking accreditation from, or accredited by, an accrediting agency or association recognized by the Secretary for the purpose of this title and~~ involving the denial, withdrawal, or termination of accreditation, or the pre-accreditation of an ~~the~~ institution of higher education, shall be brought in the appropriate United States district court. \

7. Ensure that accreditors are separately incorporated and independent.

Background:

Regional and specialized accreditors have increasingly moved toward becoming “separate and independent” entities. In nearly all cases, regional accrediting commissions are separately incorporated. And recent situations – especially in nursing (ACEN) and psychology (APA) – illustrate the problems that can occur when specialized accreditors are embedded within membership organizations and cannot, for example, ensure that their assets will be protected (ensuring their independence) or that they can sufficiently distance themselves from the conflict-of-interest problems inherent within a parent organization. Ensuring that accreditors are truly “separate and independent” can increase public confidence in accreditation.

Proposed Language:

Amend section 496(a)(3) as follows:

*(3) if such agency or association is an agency or association described in—*

*(A) subparagraph (A)(i) of paragraph (2), then such agency or association is separately incorporated and independent, both administratively, and financially of any related, associated, or affiliated trade association or membership organization.*

Amend section 496(b) as follows:

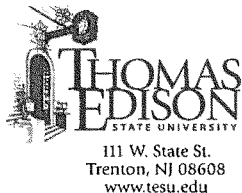
*(b) SEPARATELY INCORPORATED AND INDEPENDENT DEFINED.—For the purpose of subsection (a)(3), the term “separately incorporated and independent” means that—*

*(1) the members of the postsecondary education governing body of the accrediting agency or association are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;*

*(2) among the membership of the board of the accrediting agency or association there shall be one public member (who is not a member of any related trade or membership organization) for each six members of the board, with a minimum of one such public member, and guidelines are established for such members to avoid conflicts of interest;*

*(3) dues to the accrediting agency or association are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and*

*(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.*



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June 26, 2017

The Honorable Virginia Foxx  
c/o Ms. Caitlin Burke, Legislative Assistant  
Committee on Education & the Workforce  
2257 Rayburn House Office Building

Dear Chairwoman Foxx:

It was my honor to testify on April 27<sup>th</sup> before the Committee on Education and the Workforce at its hearing entitled "Strengthening Accreditation to Better Protect Students and Taxpayers." I have received your letter dated June 12<sup>th</sup>, and I am pleased to respond herewith to questions that were forwarded from members of the Committee.

*The following questions were posed by Representative Phil Roe: What are the regulations that are preventing accreditors from focusing on student outcomes? Are there duplicative data collection requirements the Department of Education makes on accreditors and schools? How can innovation in accreditation be encouraged?*

Accreditors have focused on student outcomes for years, but the definition of what constitutes student outcomes has changed, especially recently. Under the regulations – 34 CFR 602.16(a)(1)(i) – accreditation standards must address student achievement in relation to an institution's mission. For years, regional accrediting agencies such as the Middle States Commission on Higher Education (MSCHE) addressed student achievement through emphasis on the outcomes of student learning. Under these standards, there has been a requirement that accredited institutions demonstrate that students accomplish educational goals consistent with their programs of study, degree level, the institution's mission, and expectations for higher education. This assessment of student learning outcomes emphasizes understanding and improving teaching and learning.

More recently, the focus on student achievement has shifted toward measures/metrics of student success. The press, some higher education researchers, and the National Advisory Committee on Institutional Quality and Integrity (NACIQI) all are pushing in this direction. While regional accreditors have been open to exploring the use of available data, the Commissions have done so with care and caution. That care and caution is warranted because the available data does not, as I indicated in my testimony, provide an accurate picture for all institutions. For example, I described the situation at Thomas Edison State University where a very small percentage of our students begin as first-time full-time students. Because of that, the vast majority of students are not counted in the cohorts that are the basis for federal graduation rate calculations, and the rates are then meaningless as a basis for making any judgment about the University. The limitations of the data are well known and have been reported as recently as this past week in a lengthy article that appeared in *The Chronicle of Higher Education* under the headline "Colleges Face More Pressure on Student Outcomes, but Success Isn't Always Easy to Measure."

Even with data limitations in mind, the Council on Regional Accrediting Commissions (C-RAC) has collectively created a Graduation Rates Project that has focused on institutions with federal data showing graduation rates that are half or less of the national averages. That project is ongoing, however, some conclusions are already obvious. For example, the federal databases and websites need to be consolidated to avoid the confusion created when there are differing statistics simultaneously available for a single institution. In addition, data improvements (e.g., expansion beyond first-time full-time cohorts, etc.) need to be made as quickly as possible so that the data is meaningful. Also, there needs to be more contextual information presented so that inquirers can better understand and make judgements about an institution. Today, the majority of students participating in higher education are over the age of 25, attending school part-time. If you are a part-time student taking four courses a year, it will take you 10 years to earn a baccalaureate degree. Mixing persistence rates of full-time and part-time students as is the current practice yields graduation rates that are misleading and useless as a measure of institutional quality or effectiveness.

With regard to the means by which innovation in accreditation can be encouraged, I believe that accreditors are already doing what they can to innovate and to encourage innovation by the institutions that they accredit. New accreditation standards, new accreditation processes, updated policies, and improved infrastructure including information technology systems all are being developed and implemented, and all modernize accreditation. One limitation, however, is the need to innovate within the context of regulations such as those pertaining to substantive change. Substantive change rules require prior approval of a very specific and long list of institutional changes ranging from contractual relationships with non-accredited entities to approval of additional locations and branch campuses. If, through law or regulation, accreditors could grant exceptions or exemptions to trusted institutions, innovation could be encouraged. Currently, this is done through the defined Experimental Sites programs of the Department of Education. These are programs that often require approvals from accrediting agencies as well as the Department. If such experimentation could be allowed directly through the accreditors, it is likely that the process could be faster and less cumbersome for institutions wishing to innovate. And, of course, it would still be done under the ultimate oversight of accreditation that is exercised by the Department of Education.

*The following questions were posed by Representative Luke Messer: As a former member of the National Advisory Committee on Institutional Quality and Integrity (NACIQI), what do you think the ramifications will be for students and taxpayers if many of the 245 institutions currently accredited by Accrediting Council for Independent Colleges and Schools (ACICS) are not able to find a new accreditor? If those institutions lose Title IV funding, what do you think should be done to help students transition to other schools? And what can be done to help encourage other schools to accept their credits?*

*Representative Messer further states: You mention in your testimony why you don't think the Education Department's "scorecard" works well in providing useful information to students. Clearly, as legislators, we want to empower students to make good decisions about what school they attend and hold institutions accountable. How do we strike the right balance of reporting that will hold institutions accountable and also empower students?*

I believe that accreditors and the Department have been working together to provide as many opportunities as possible for transition of ACICS accredited institutions to other recognized accrediting agencies. Many of the affected institutions may be most interested in transitioning to another national accreditor of similar institutions. It is my understanding that the federal student aid division of the Department has been overseeing the situation and has set a series of benchmark deadlines.

A few of the affected institutions have expressed interest in regional accrediting agencies. However, one of the issues has been the relatively short period of time – 18 months I believe – that those

institutions will have to find another accreditor. Applicants for regional accreditation must progress through applicant and candidacy statuses. In the case of the Middle States Commission on Higher Education, the candidate institution must be able to prove compliance with all Requirements of Affiliation and Standards before accreditation can be granted – a process that must be faithfully followed and can take up to five years to complete. The time frames just do not mesh well.

There may be some institutions that will not be able to make a transition to meeting the requirements and standards of another accrediting agency within the allowed timeframe. Some institutions may close and then teachout agreements would assist students with placements at other institutions. In my experience, where possible and practical, other institutions do step up to assist students in situations like this, provided that the receiving institution can uphold usual academic quality standards and expectations.

Moving to the topic of the “Scorecard,” you are correct that I indicated in my testimony that I do not believe that it works well in providing useful information to students as the basis for informed decisions about which schools to attend or as a means by which to hold institutions accountable. Further, you ask how best to balance the need to provide a reporting that holds institutions accountable and empowers students. I have reiterated some of my concerns about currently available data in my response to a question raised by Representative Roe (see separate section of this letter).

Perhaps what is most important now is a need to hit the “pause button” while experienced and responsible people make decisions about what needs to be done regarding data, and changes are actually implemented. Right now, we have a situation where inadequate data sets are being used to form opinions and make decisions. I do not believe that this is good public policy. For example, NACIQI should not be making decisions about accreditor recognition, as increasingly seems to be the case, based on flawed and incomplete “Scorecard” data and a series of pilot questions.

As I indicated in my testimony before the Committee, I served for many years as a member of NACIQI under administrations of both political parties. I was proud to represent the higher education community on this advisory committee. However, I believe that in recent years it has become politicized and has in some important ways deviated from its purpose. NACIQI should be engaged in making recommendations to the Secretary of Education concerning the ability of accrediting agencies to meet the stated criteria for recognition. It is appropriate for NACIQI to hold accrediting agencies accountable for meeting the criteria. NACIQI should not be engaged in attempts to set new policy that is more appropriate to the legislative process. It is not appropriate for NACIQI to rely on flawed data or to otherwise make recognition recommendations based on the personal beliefs or preferences of members or on anything other than the stated criteria.

I am not suggesting that we should give up on the use of measures/metrics, for example, pass rates on state licensure exams are a both relevant and effective measure of institutional quality but if we are going to make meaningful use of data, we should bring together members of the higher education community to make decisions about what data should be collected and how it should be used. Further, while there may be a temptation to leave this in the hands of the data “experts,” I think that more is required. It is simply too easy for researchers to collect data because it is possible to do so without considering whether that data should be collected or used. There needs to be higher education representatives involved in data decisions who can consider what should be done in order to address student empowerment as well as accountability.

*The following questions were posed by Representative Francis Rooney: Forty years ago, U.S. colleges employed more faculty than administrators. But today, teachers make up less than half of college employees. In this time period the number of full-time professors increased slightly more than 50 percent, while the number of administrators and administrative staffers increased 85 percent (Forbes). Are the rules and regulations set forth by Congress forcing postsecondary institutions to hire high amounts of*



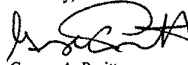
*administrators instead of hiring more full-time professors and allowing for career predatory programs? What is the important day-to-day functions that force postsecondary institutions to hire all these administrators?*

There are increased accountability measures as well as reporting that adds to the regulatory burden faced by all colleges and universities. Perhaps the most significant increases have been related to research programs, but these requirements apply unevenly across institutions. On the other hand, increased data collection (IPEDS) is required of all, and increased reporting has been required from most institutions in topic areas as varied as campus security/crime and international students. To carry out these functions, staff have been added to research and student life offices, and institutional research functions and offices have grown proportionately.

Perhaps more importantly, forty years ago in 1977, the environment of U.S. higher education was much different than it is today. Compared to 1977, today there are new instructional delivery systems including online learning, new educational provider partners, new information technology, new online learning resources, and new or enhanced student support systems from advising to career services. All of these developments have resulted in colleges and universities becoming much more complex institutions. That increasing complexity has demanded the addition of administrative personnel.

I do hope that the Committee and its members will find these brief comments useful. Please contact me again should you require additional information or clarification.

Sincerely,



George A. Pruitt  
President

GAP/mam

[Whereupon, at 12:21 p.m., the committee was adjourned.]

